

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

Trade Mark Application No. T0611218B
3 November 2010

IN THE MATTER OF A TRADE MARK REGISTRATION BY

LONE STAR RESTAURANTS LIMITED

AND

INVALIDATION THEREOF BY

MORTON'S OF CHICAGO, INC.

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

Ms Lim Siau Wen (Drew & Napier LLC) for the Applicants

Cur Adv Vult

GROUND OF DECISION

1 Lone Star Restaurants Limited is the registered proprietor (“Registered Proprietors”) of the trade mark

MORTON'S MEMBERS CLUB

in relation to the following services in Class 41:

"Education; providing of training; entertainment; sporting and cultural activities;

cabaret, night club, theatre, casino, gaming (primarily for entertainment) and social club services; musical entertainment services." ("Registered Mark").

2 Morton's of Chicago, Inc., the applicant for invalidation ("Applicants") filed an application for a declaration of invalidity on 14 August 2007. The Registered Proprietors filed their Counter-Statement on 14 December 2007. The Applicants filed their evidence on 12 February 2009. On 15 January 2010, the Registrar wrote to the Registered Proprietors informing them that as the Registered Proprietors' SD has not been filed within the deadline of 12 April 2009, the Registered Proprietors were deemed to have admitted the facts alleged by the Applicants pursuant to Rule 59 read with Rule 33 of the Trade Mark Rules (Cap 332, 2008 Rev Ed) ("TMR"). The parties were directed to inform the Registrar in writing as to how they wish to proceed, failing which parties would be required to attend a Pre-Hearing Review. On 25 January 2010, Counsel for the Registered Proprietors (HS Legal LLP) informed that they were discharging themselves from representing the Registered Proprietors. On 12 May 2010, the Applicants informed the Registrar that they wish to continue with the invalidation action and thus requested for the Pre-Hearing Review to be scheduled. The Registrar then wrote to the Registered Proprietors themselves on 17 May 2010 requesting them to provide a Singapore address for service, failing which they would be barred from participating in the invalidation proceedings and accordingly, defending their registration in the action. On 29 July 2010, Colin Ng & Partners LLP, wrote to the Registrar informing that they have been appointed to be the agent on record for the Registered Proprietors. A Registrar's Notice was accordingly sent to the parties on 29 July 2010, setting the case down for a Pre-Hearing Review on 26 August 2010. On the day scheduled for the Pre-Hearing Review, the agent for the Registered Proprietors did not make an appearance and neither did they provide a reason for their absence. In light of the circumstances, the Pre-Hearing Review proceeded in the absence of the Registered Proprietors pursuant to Rule 36A(6). A hearing date was set down for 3 November 2010. On 4 October 2010, the agent for the Registered Proprietors informed the Registrar that they would not be filing any written submissions nor any bundle of authorities and that they have received instructions not to attend the invalidation hearing scheduled for 3 November 2010. Thus, pursuant to Rule 37, the hearing proceeded as scheduled on 3 November 2010 in the absence of the Registered Proprietors.

Grounds of Opposition

3 The Applicants rely on Section 23 of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("TMA") read with the following provisions in this invalidation action:

- (i) Section 8(2)(b);
- (ii) Section 8(4)(a)(b)(i);
- (iii) Section 8(4)(a)(b)(ii); and
- (iv) Section 8(7)(a).

Registered Proprietors' Evidence

4 As mentioned above, the Registered Proprietors did not file any evidence in support of their registration. Therefore, Rule 59(2)(d) read with Rule 33(3) operates such that the Registered Proprietors are deemed to have admitted to the facts alleged by the Applicants in their application for a declaration of invalidity of the registration.

Applicants' Evidence

5 The Applicants' evidence comprises of a Statutory Declaration sworn by Mr Scott Levin, Senior Vice President and General Counsel of the Applicants ("Applicants' SD").

Applicable Law and Burden of Proof

6 As referred to above, the applicable law is the Trade Marks Act (Cap 332, 2005 Rev Ed) and the Trade Mark Rules (Cap 332, 2008 Rev Ed).

7 The undisputed burden of proof in an invalidation action under the TMA falls on the Applicants.

Background


8 The Applicants deposed that the Applicants' MORTON'S mark was first adopted in 1978 by the opening of a restaurant in Chicago, Illinois, using the last name of their founder, Arnie Morton. The Applicants are also the proprietors of the MORTON'S mark in many countries including Benelux, Canada, China, as a Community Trade Mark, Hong Kong, Japan, Switzerland and Thailand.

9 There are 80 MORTON'S locations worldwide and the estimated annual revenue of Morton's Restaurant Group, Inc., worldwide are as follows:

Year	Sales Value (USD) (in'000)
1998	189,779
1999	206,869
2000	247,510
2001	236,163
2002	238,137
2003	258,668
2004	276,334
2005	300,690
2006	321,982
2007	353, 825

The Applicants operate as a subsidiary of Morton's Restaurant Group, Inc.

10 In Singapore, the Applicants are the Registered Proprietors of the following marks ("Applicants' Marks"):

Mark	TM No.	Class	Service
MORTON'S	T0512377F	Class 43	Restaurant and bar services.
	T0411489G	Class 43	Restaurant and bar services.
MORTON'S THE STEAKHOUSE	T0411491I	Class 43	Restaurant and bar services.
MORTON'S OF CHICAGO	T9609724B	Class 42	Restaurant services; all included in Class 42.

11 The estimated annual revenue of Morton's of Chicago (Singapore) Pte Ltd ("Morton's Singapore") and The Bar at Morton's respectively are as follows:

Year	Sales Value (SGD)	
	Morton's Singapore	The Bar at Morton's
1998	2,477,418	-
1999	4,996,335	161,208
2000	5,456,491	179,124
2001	4,796,289	191,160
2002	4,830,764	276,804
2003	4,998,152	297,720
2004	5,007,528	329,320
2005	6,529,275	790,794
2006	8,373,887	1,527,054
2007	9,967,706 (unaudited)	1,218,781

Morton's Singapore is a subsidiary of the Applicants and The Bar at Morton's is a bar operated by the Applicants in the Oriental Hotel.

MAIN DECISION

Preliminary Issue

12 As referred to above, Rule 59 read with Rule 33 provides that a failure to file evidence by the Registered Proprietors shall be treated as an admission by the Registered Proprietors to the facts alleged by the Applicants in his application for a declaration of invalidity of the registration. However, this simply means that all statements of a factual nature submitted by the Applicants in his application are not disputed. The Registrar is still required to make findings of facts and determine whether such factual findings satisfy the legal tests as expounded in the cases such that the respective grounds for invalidation are made out.

Ground of Invalidation under Section 23(3) read with Section 8(2)(b)

13 Section 23(3) of the TMA reads:

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

—
(a) that there is an earlier trade mark in relation to which —
(i) the conditions set out in section 8 (1) or (2) apply...

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

Section 8(2)(b) of the TMA reads:

8.— (2) A trade mark shall not be registered if because —

... (b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public.

An “earlier trade mark” is defined in Section 2(1):

"earlier trade mark" means —

(a) a registered trade mark or an international trade mark (Singapore), the application for registration of which was made earlier than the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks; or

(b) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was a well known trade mark,

and includes a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of paragraph (a) subject to its being so registered.

Finally the definition of a “trade mark” and “sign” are also provided under Section 2(1):

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

"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.

Applicants' Submissions

14 The Applicants rely on their earlier registrations (above). The Applicants submitted that there is no dispute as to the validity of the Applicants' Marks and that the issues to be decided under this ground are whether:

- (i) the marks are similar; and
- (ii) the services are similar

such that a likelihood of confusion will exist amongst the public.

The Applicants submitted that the relevant tests to be applied are that as discussed in the Court of Appeal case of *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd [2006] SGCA 14 ("Polo Case")*. The *Polo Case* involved Section 27(2)(b) of the TMA which dealt with trade mark infringement but the Court held at [15]:

It would be noted that the material part of the wording of this English provision... is identical to our s 8(2) of the Act. It is also similar to our s 27(2)(b)...Of course, this English provision (as our s 8(2)) relates to refusing the registration of a mark, rather than the infringement of an existing mark. However, we do not think this distinction should mean that the meaning to be given to s 27(2)(b) should be any different from that ascribed to s 8(2)...

In short, the test under Section 27 applies similarly to Section 8(2)(b).

15 In determining the question of whether there is infringement, the Court endorsed the 3-step approach enunciated in *British Sugar PLC v James Robertson & Sons Ltd [1996] RPC 281 ("British Sugar")* at [8]:

It seems to us that there will be infringement under that provision only if three conditions are present. First, the alleged offending sign must be shown to be similar to the registered mark. Second, both the sign and the mark must be used in relation to similar goods or services. Third, on account of the presence of the first two conditions, there exists a likelihood of confusion on the part of the public.

16 The question of whether a likelihood of confusion exists will also require the consideration of a combination of factors, not limited to the similarity of marks and / or goods. The Court in the *Polo Case* held at [8]:

To determine the existence of confusion, the court is entitled to look outside the mark and the sign, as well as the articles, to assess whether there exists a likelihood of confusion...

The relevance of looking at extraneous factors was explained by the High Court in **The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd [2005] SGHC 175** ("**Polo High Court Case**") at [22]:

One is to establish the strength of the similarity required in order to decide the question of whether there exists a likelihood of confusion. As Millett LJ said in The European ([12] supra) at 288:

Similarity is a matter of degree ... the question is whether the similarity is such as to be likely to cause confusion in the mind of the public. A degree of similarity is tolerable; the question is whether there is a confusing similarity.

The court cannot know what degree of similarity causes confusion unless it is able to assess, for instance, the trading circumstances of the goods in question and therefore the standard of care that the ordinary consumer will exercise in that particular case.

The Court elaborated in the **Polo Case** at [28]:

The question of likelihood of confusion has to be looked at globally taking into account all the circumstances including the closeness of the goods, the impression given by the marks, the possibility of imperfect recollection and the risk that the public might believe that the goods come from the same source or economically-linked sources...But that is not all. Steps taken by the defendant to differentiate his goods from those of the registered proprietor are also pertinent... So also is the kind of customer who would be likely to buy the goods of the appellant and the respondent...

Thus the question of whether a likelihood of confusion exists must be assessed from the perspective of the ordinary consumer of the relevant services, taking into account the similarities between the marks and the services, as well as any extraneous factors which may come into play in the course of trade.

17 In the assessment of the likelihood of confusion the Applicants also referred to the following comments made in [9-057] in **Kerly's Law of Trade Marks and Trade Names 14th Edition**:


...Some trade marks are so famous that there will exist a likelihood of confusion even if they are used on wholly dissimilar goods or services. In such a case s.5(2) cannot be invoked. The likelihood of confusion would not be attributable to any similarity between the goods or services in issue. The prohibition requires there

to be at least some similarity between the goods or services the subject of the earlier mark and those the subject of the application. Furthermore, it must follow that the issue of whether or not particular goods or services bear some similarity must be answered independently of the marks in issue. This is a matter which must be considered from the perspective of the average consumer but will necessarily depend upon objective criteria, which we discuss in the following section.

It must however be noted that the likelihood of confusion must still be assessed globally and there is an interdependence of the relevant factors. Accordingly, and provided the goods or services bear some similarity, a lesser degree of similarity between the goods or services may be offset by a greater similarity between the marks, and vice versa.

Similarity of Marks

18 The representations of the Applicants' Marks and the Registered Mark are set out below:

Applicants' Marks	Registered Mark
MORTON'S	MORTON'S MEMBERS CLUB
	
MORTON'S THE STEAKHOUSE	
MORTON'S OF CHICAGO	

In assessing the similarity of marks, the Applicants refer to the test as laid out in *Pianotist Co.'s Application (1906) 23 RPC 774* (followed in the *Polo Case* at [27]):

You must take the two words. You must judge them both by their look and their sound. You must consider the goods to which they are applied. You must consider the nature and kind of consumer who would be likely to buy these goods. In fact you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in a normal way as a trade mark for the goods of the respective owners of the marks.

19 The Applicants' Marks consists of a single word "MORTON'S" or the essential feature in the Applicants' Marks is the word "MORTON'S". The words "THE STEAKHOUSE" or "OF CHICAGO" in 2 of the Applicants' Marks are non-distinctive material. The Registered Mark consists of the words "MORTON'S MEMBERS CLUB". The Applicants submitted that the distinctive feature in the Registered Mark is also the

word "MORTON'S" given that "Members Club" is plainly non-distinctive given the services claimed. Since the essential feature of the Registered Mark is identical to the essential feature of the Applicants' Marks, the Applicants submitted that it is plainly evident that the Registered Mark is similar to the Applicants' Marks.

20 The Applicants submitted that the essential feature in the Applicants' Marks, that is, "MORTON'S" is also a coined term. The adoption of an identical term by the Registered Proprietors used in conjunction with non-distinctive words "Members Club" renders both set of marks conceptually very similar.

21 In support of the Applicants' contention that the Registered Mark is similar to the Applicants' Marks, the Applicants referred to *SPA Esprit Pte Ltd v Esprit International* [2005] SGIPOS 2 where the Hearing Officer followed a UK High Court decision *Compass Publishing BV v Compass Logistics* [2004] RPC 41 which found the marks COMPASS and COMPASS LOGISTICS, both used on business consultancy services, to be not identical but confusingly similar. Likewise, in the Singapore Registry decision, the Applicants' marks "Spa Esprit" and "Spa Esprit" with the words "where mind is body" below them were held to be similar to the Opponents' prior registered word mark "Esprit".

22 Thus the Applicants submitted that the Registered Mark is visually, phonetically and conceptually similar to the Applicants' Marks.

23 The Registered Proprietors have not furnished evidence of use of the Registered Mark in Singapore nor has the Registered Proprietors claimed use of the Registered Mark in Singapore. In such a situation where a mark has not been used, it may be assumed that the proprietor will use it "in a normal and fair manner" (*Polo Case* at [17]). As the assessment must be based on a notional and fair use across the range of services for which the Registered Mark is sought to be registered, the relevant public, the consumers at large, will have to be considered.

24 Further, as per the *Polo Case* at [31], the test should also not be determined based on a man in a hurry but that of "the ordinary, sensible members of the public".

Similarity of Services

25 The respective specifications of the Applicants' Marks and the Registered Mark are as follows:

Applicants' Specification	Registered Proprietors' Specification
Restaurant and bar services	Education; providing of training; entertainment; sporting and cultural activities; cabaret, night club, theatre, casino, gaming (primarily for entertainment) and social club services; musical entertainment services

In determining whether the services can be considered as similar, the following factors as applied by the English High Court in *British Sugar* must be considered:

- (i) The respective uses of the respective goods or services;
- (ii) The respective users of the respective goods or services;
- (iii) The physical nature of the goods or service;
- (iv) The respective trade channels through which the goods or services reach the market;
- (v) In the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and in particular whether they are, or are likely to be, found on the same or different shelves;
- (vi) The extent to which the respective goods or services are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies would put the goods or services in the same or different sectors.

The above factors were endorsed by Tan Lee Meng J. in the Singapore High Court decision of *Johnson & Johnson v Uni-Charm Kabushiki Kaisha (Uni-Charm Corp)* [2007] 1 SLR 1082.

26 Based on the above factors, the Applicants submitted that the services ought to be considered similar as follows.

Uses

- (i) The Applicants submitted that the uses of the respective services are similar. The Applicants' restaurant and bar services are essentially establishments where food and drinks are prepared and served. The Applicants submitted that it is common knowledge that restaurant and bar services form part of entertainment services. For example, when a client is to be entertained, it is usual for a client to be brought to a restaurant for wining and dining. There is thus an overlap with the Applicants' services of interest since the Registered Mark includes entertainment services. One of the English dictionary meanings of "entertainment" in dictionary.com is "*hospitable provision for a guest's needs and wants*". The Applicants submitted that this befits the intended purpose of restaurant and bar services.
- (ii) The Applicants submitted that the definition of "night club" in dictionary.com is "*an establishment for evening entertainment, generally open until the early morning, that serves liquor and usually food ...*" (emphasis by the Applicants). One of the meanings of "cabaret" is "*a restaurant providing food, drink, music, a dance floor, and often a floor show*". "Night club" and "cabaret" are included under the Registered Mark and they therefore overlap with or are similar to the services for which the Applicants' Marks are registered, namely restaurants and bars which also serve food and liquor.

- (iii) The Applicants submitted that it is common knowledge that in several of the services included under the Registered Mark such as "cabaret, night club, casino, gaming (primarily for entertainment), social club services and musical entertainment services" food and drinks will be provided in such establishments or in connection therewith. Restaurants and bars are also commonly set up in places such as night clubs, casinos and social clubs to serve food and beverages to patrons or members of such places. As such, the services for which the Applicants' Marks have been registered for have always been closely associated with or connected to the services included under the Registered Mark. The Applicants submitted that the foregoing is amply demonstrated by evidence (Exhibit SL-9 of the Applicants' SD). Examples include web printouts of The Singapore Island Country Club, Jurong Country Club, Sentosa Golf Club, Tower Club, China Club which show the presence of restaurants and facilities serving alcoholic beverages.

The Applicants submitted that in the circumstances, it is evident that the uses of the respective services overlap or are similar.

Users

The users of the respective services are likely to be the general members of the public. Just as an average member of the public may visit a restaurant or bar, he may also visit a club or casino for the purposes of dining at the restaurant or bar situated in the premises of the club or casino.

Thus the Applicants submitted that there is no apparent distinction between the users of the services for which the Applicants' Marks are registered and services included under the Registered Mark.

Trade Channels

The Applicants submitted that the respective services also move through the same or similar trade channels. The Applicants submitted that this is demonstrated via the Applicants' SD (Exhibit SL-9) which shows that it is common for many social clubs to operate restaurants or bar services on the premises.


Competition / Classification

The Applicants submitted that from the above it is clear that both sets of services are to a certain extent, competitive with each other or even used in conjunction with or to compliment each other.

Likelihood of Confusion

27 The Applicants submitted that the essential feature in the Applicants' Marks, that is, "MORTON'S" may be considered as a coined term or an invented mark as it has no

English dictionary meaning. The term "MORTON'S" is thus inherently distinctive. The Applicants submitted that the distinctive character of the Applicants' Marks is enhanced through use in Singapore since at least 1998.

28 The level of distinctiveness of the Applicants' Marks is relevant as a more distinct mark generally receives greater protection. The *Polo High Court Case* in comparing "POLO" and "" stated at [27]:

In the present case, the differences are obvious: the addition of the word "PACIFIC" together with the sign's different font and design. The question, then, is whether these differences are enough so as not to capture the distinctiveness of the registered mark. In order to decide this, I first have to consider whether the plaintiff's mark can be considered to be so distinctive that the differences would not negate the similarity. This is an important issue because a more distinct mark generally receives greater protection ...

[Emphasis by the Applicants.]

29 The Applicants also referred to *Bently and Sherman's Intellectual Property Law (3rd Edition)* for the proposition that if an earlier mark is highly distinctive, a mark which has been substantially modified may nonetheless still be similar. In the current case, the Registered Mark incorporates the Applicants' "MORTON'S" mark in its entirety and there is no modification to the said word.

30 Thus the Applicants submitted that the distinctiveness of the Registered Mark will enhance the possibility of confusion between the Registered Mark and the Applicants' Marks.

Summary

31 Due to the fact that the Registered Mark is very similar to the Applicants' Marks and that the respective services are similar, a likelihood of confusion exists between the marks. The public may be misled into thinking that services offered under the Registered Mark and the Applicants' Marks emanate from the same source. The Applicants thus submitted that the invalidation ought to succeed under Section 8(2)(b).

Decision on Section 8(2)(b)

32 As submitted by the Applicants, the *Polo Case* sets the stage for an analysis under this Section. As the relevant passages from the *Polo Case* have been reproduced in the Applicants' submissions above, I would only venture to summarise the principles here.

Similarity of Marks

33 According to the Court of Appeal in the *Polo Case*, the test is the three-step approach enunciated in *British Sugar*. First, marks must be shown to be similar. Second, both the sign and the mark must be used in relation to similar services. Third, on account of the presence of the first two conditions, there exists a likelihood of confusion on the part of the public.


However, the fact that the marks are similar to a registered mark does not automatically mean that there will be a likelihood of confusion on the part of the public. That is a question of fact to be determined by the court, taking into account all the relevant circumstances. To determine the existence of confusion, the court is entitled to look outside the mark and the sign, as well as the articles, to assess whether there exists a likelihood of confusion. Generally, the greater the similarity between a mark and a sign, the greater will be the likelihood of confusion. However, if either of the first two conditions is not satisfied there will not be any need to go into the third question of determining whether there exists a likelihood of confusion.

34 There is also a need to assess the distinctiveness of the earlier mark. The High Court in the *Polo High Court Case* stated at [27] that a more distinct mark generally receives greater protection.

35 It is also important to note that the ordinary consumer has but an ordinary memory and it is the idea of the mark that he will remember. The case of *Mrs Agnes Trouble v Crocodile International Pte Ltd* [2005] SGIPOS 12 has established that the comparison of marks should not be conducted by a side by side comparison nor should they be dissected and distilled into a general list of characteristics as “marks are generally remembered by general impressions or by some significant detail than by any photographic recollection of the whole” citing the case of *De Cordova v Vick* (1951) 68 RPC 103.

36 It is trite law that in order to assess the similarities between marks, the visual, aural and conceptual aspects of the marks must be considered. While the conceptual, visual and aural similarities between the marks will be considered, the law does not require all three similarities to be made out before a finding that the marks are similar can be made. The relative importance of each factor will depend on the circumstances of the actual case.

37 For ease of reference only, the marks involved are as follows:

Applicants' Marks	Registered Mark
<p>MORTON'S</p> <p>T0512377F</p>	<p>MORTON'S MEMBERS CLUB</p>
 <p>T0411489G</p>	
<p>MORTON'S THE STEAKHOUSE</p> <p>T0411491I</p>	
<p>MORTON'S OF CHICAGO</p> <p>T9609724B</p>	

Visual, Aural and Conceptual Similarity

38 At [26]–[27] in ***Polo High Court Case***:

*The decided cases suggest that there are three aspects to similarity: visual, aural or phonetic, and conceptual. In terms of visual similarity, it is clear that the mark and the sign share one common denominator: the word “POLO”. In cases where there is a common denominator, it is important to look at the differences between the mark and the sign in order to decide whether the challenged sign has been able to distinguish itself sufficiently and substantially ... In *Samsonite Corp v Montres Rolex SA* [1995] AIPR 244 ... it was held that just because the registered mark was wholly included in the challenged sign, it did not mean that it would necessarily cause confusion between the two. ...*

In the present case, the differences are obvious: the addition of the word “PACIFIC” together with the sign’s different font and design. The question, then, is whether these differences are enough so as not to capture the distinctiveness of the registered mark. In order to decide this, I first have to consider whether the [appellant’s] mark can be considered to be so distinctive that the differences would not negative the similarity. This is an important issue because a more distinct mark generally receives greater protection. ...

[Emphasis mine.]

39 In the current case, it is clear that the Registered Mark includes "MORTON'S". Applying the above principles to the current case, taking T0512377F, the question is, can it be said that the addition of the word "Members' Club" (to the Registered Mark) has enabled the Registered Mark to distinguish itself sufficiently and substantially from the

Applicants' Marks? I think the answer is clearly "no". First and foremost, the Registered Mark is in plain font with no further embellishment of any sort. So is T0512377F, which appears in normal font. The Applicants submitted that "MORTON'S" is a coined term. As per paragraph 7 of the Applicants' SD, "MORTON" is the surname of the founder, Arnie Morton. While I am not totally convinced that a surname in its possessive form can be said to be a coined term, be that as it may, a surname may serve as a distinctive mark and if so, so will be its possessive form as well. In the current case, I am of the view that "MORTON'S" is sufficiently distinctive. The words "Members' Club" being ordinary English words, are not sufficient to enable the Registered Mark to distinguish itself sufficiently and substantially from T0512377F.

40 The above is sufficient to make a finding that the Registered Mark is similar to the Applicants' Marks. However, for the purposes of completeness, I will also deal briefly in relation to T0411491I and T9609724B.

41 It is clear that the essential feature in the Applicants' Marks is the word "MORTON'S". This is apparent when all of the Applicants' Marks are taken into account. In all of the Applicants' Marks, the common denominator is the word "MORTON'S". For T0411491I and T9609724B, "the Steakhouse" and "of Chicago" respectively are normal English words. It is clear that in these 2 marks, "MORTON'S" is the essential feature. Applying the same analysis between T0411491I and T9609724B versus the Registered Mark, the Registered Mark reproduces the essential and distinctive feature "MORTON'S" and "Members' Club", being normal English words, do not assist in enabling the Registered Mark to distinguish itself sufficiently and substantially from T0411491I and T9609724B.

42 In this case, it is the visual and aural aspects of the marks which are important. The visual aspect is the first thing which hits a consumer when one enters a club / restaurant. A consumer also encounters the visual aspect of the marks via receipts and promotional materials (be it via the internet or magazines e.t.c.). The aural aspect also has some significance when reference is made by word of mouth.

43 Conceptually, the marks are similar. Taken as a whole, the Registered Mark connotes the idea of club services provided by an individual, namely Morton, of course. On the other hand, T0512377F consisting of merely "MORTON'S" simply connotes the idea that the services provided under the mark (whatever they are) are provided by an individual, namely again, Morton. In relation to T0411491I, it connotes the idea that the steakhouse restaurant services are provided by an individual by the name of Morton. Finally, T9609724B connotes the idea that the services provided under the sign (whatever they may be) are provided by an individual by the name of Morton who has some connection with Chicago.

From the above, it can be seen that the marks are conceptually similar in that they all connote the idea that the services provided under the various marks are provided by an individual by the name of Morton.

44 It is important to recall that whether visually, aurally or conceptually, the ordinary consumer has but an ordinary memory and it is the idea of the mark that he will remember. The average consumer would not have the two marks side by side to make a detailed comparison. As mentioned above, the Registered Mark reproduces the essential and distinctive feature of the Applicants' Marks. Therefore when an average consumer sees the Registered Mark, it is likely to be the word "MORTON'S" that will catch his attention first. Similarly, when an average consumer hears about the Registered Mark, it is "MORTON'S" that rings a bell. Finally, it is the idea that the services provided under the Registered Mark are provided by an individual by the name of Morton, which a consumer will remember.

45 In view of the above, I am of the view that the marks are visually, aurally and conceptually similar.

Similarity of Services

46 For ease of reference, the specifications of the marks are reproduced below:

Applicants' Specification	Registered Proprietors' Specification
Restaurant and bar services	Education; providing of training; <u>entertainment</u> ; sporting and cultural activities; <u>cabaret, night club</u> , theatre, <u>casino, gaming (primarily for entertainment) and social club services</u> ; <u>musical entertainment services</u>

47 It is clear from the above that there are some services covered by the Registered Mark which are not in contention. These include education, providing of training, sporting and cultural activities and theatre. The Applicants themselves only made submissions (even if cursorily) in relation to the rest of the services.

48 Before I begin my analysis, it is noted that the Registered Proprietors' specifications are in Class 41 while the Applicants' specifications are in Class 43. I note that the relevant portion of the header for Class 41 reads: "*Class 41 covers mainly ...services intended to entertain or to engage the attention.*" while the relevant portion of the header for Class 43 reads: "*Class 43 includes mainly services provided by persons or establishments whose aim is to prepare food and drink for consumption...*". However it is also the general understanding that the Nice Classification cannot be taken to be an exhaustive indication as to the similarity of services. The Hearing Officer, in *Simmons Company v Trend Promotors (Malaysia) Sdn Bhd [2005] SGIPOS 8* stated at page 16 of the decision in relation to the specification in that case:

As I have stated earlier similar goods need not necessarily belong to the same class and goods from different classes may be considered to be similar.

[Emphasis mine.]

I will thus proceed to apply the **British Sugar** test to the relevant specifications.

49 There is similarity in terms of use between "restaurant and bar services" and "night club" services. I refer to tab 15 of the Applicants' bundle of authorities. The definition of "night club" is provided as "*an establishment for evening entertainment, generally open until early morning, that serves liquor and usually food and offers patrons music, comedy acts, a floor show or dancing*". It can be seen that the provision of food and drink is an integral part of the service. The same applies for "cabaret". The definition of cabaret (tab 15 of the Applicants' bundle of authorities includes (i) a restaurant providing food, drink, music, a dance floor and often a floor show; (ii) a cafe that serves food and drink and offers entertainment often of an improvisatory, satirical and topical nature. Thus "cabaret" includes (as part of the service) the provision of food and drink. Accordingly, there is an overlap in the uses, users, physical nature and trade channels of the services.

50 Then there is "casino", "gaming (primarily for entertainment)" and "social club". I agree with the Applicants that it is common for food and drinks to be provided within the same premises or that it would be common for restaurants and bars to be available within these establishments. Thus again, there is an overlap in the uses, users, physical nature and trade channels of the services.

51 In view of all of the above, I am of the view that the services can be regarded as similar.

Likelihood of Confusion

52 As submitted by the Applicants, the question of whether a likelihood of confusion exists will require the consideration of a combination of factors, not limited to the similarity of marks and goods. Specifically, the question of the likelihood of confusion has to be looked at globally taking into account all the circumstances as per paragraph 28 of the ***Polo Case*** (above). I will proceed to analyse factors enumerated in the decision, amongst others, in turn.

Impression given by the marks and the possibility of imperfect recollection

53 As referred to above, the marks are similar as the distinctive component of both the Registered Mark and the Applicants' Marks is "MORTON'S". It is to be recalled that there is a possibility of imperfect recollection on the part of the consumers. Thus there is a likelihood that when a consumer encounters the Registered Mark, he will draw a confusing connection with the Applicants' Marks.

Closeness of the services

54 The services are also similar. As mentioned above, the services overlap such that it would be reasonable to contemplate the Applicants venturing into night club services and social club services, amongst others.

Steps taken by the defendant to differentiate the services

55 As mentioned above, the Registered Mark is in plain font with no other devices. Apart from "Members' Club" which is rather descriptive of the services, there is nothing else to assist the Registered Mark (*per se*) to differentiate the services included under the Registered Mark from those covered under the Applicants' Marks.

The Registered Proprietors in this case has not tendered any evidence to show how the Registered Mark has been used (if any) / proposed to be used and thus there is no other evidence as to whether the Registered Proprietors have sought / would be seeking to differentiate the services under Registered Mark from the services covered under Applicants' Marks in other ways.

Distinctiveness of the Applicants' Marks

56 The Applicants' Marks have been in use in Singapore since 1998. I refer to the Applicants' SD at paragraphs 9 and 10 which provide the estimated annual revenues of Morton's Singapore and "The Bar at Mortons's" respectively:

Year	Sales Value (SGD)	
	Morton's Singapore	The Bar at Morton's
1998	2,477,418	-
1999	4,996,335	161,208
2000	5,456,491	179,124
2001	4,796,289	191,160
2002	4,830,764	276,804
2003	4,998,152	297,720
2004	5,007,528	329,320
2005	6,529,275	790,794
2006	8,373,887	1,527,054
2007	9,967,706 (unaudited)	1,218,781

57 From the above it can be seen that the Applicants have been in the food and beverage industry for some time and has enjoyed a fair amount of sales. Thus when a consumer comes across the Registered Mark in relation to the services included under the Registered Mark (which are similar to the services covered under the Applicants' Marks), it would be natural for a consumer to draw a confusing connection with the Applicants.

Risk that the public might believe that the goods come from the same source

58 Given that the marks share the same distinctive component "MORTON'S" and that the services included under the marks are similar, the fact that the Applicants have been in the industry for some time and enjoyed a fair amount of sales and the fact that the Registered Proprietors have not taken steps to differentiate the services, there is a risk the public might believe that the services come from the same source.

I am mindful that the test should also not be determined based on a man in a hurry but that of "the ordinary, sensible members of the public". However, taking into account of the trading circumstances in totality, I am of the view that such a confusing connection would be made.

Conclusion

59 Taking all of the above into account, the similarity of the marks and services and the likelihood of confusion, the ground of objection under Section 8(2)(b) succeeds.

Ground of Invalidation under Section 8(7)(a)

60 Section 23(3)(b) reads:

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

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

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

Section 8(7)(a) of the Act reads:

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

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

Applicants' Submissions

61 The elements required in establishing passing off (as cited in ***WILD CHILD Trade Mark* [1998] RPC 455** (at pp 460 -461) from the House of Lords in ***Reckitt v Colman Products Ltd v Borden Inc & Ors* [1990] 1 All ER 873** and ***Erven Warnink BV v J Townsend & Sons (Hull) Ltd* [1979] A.C. 731**) are as follows:

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

The above was accepted in *Johnson & Johnson v Uni-Charm Kabushiki Kaisha (Uni-Charm Corp)* [2007] 1 SLR 1082.

62 In arriving at the conclusion of fact as to whether deception or confusion is likely, the court will have regard to:

- (a) the nature and extent of the reputation relied on;
- (b) the closeness or otherwise of the respective fields of activity in which the plaintiff and the defendant carry on business;
- (c) The similarity of the mark, name etc used by the defendant to that of the plaintiff;
- (d) The manner in which the defendant makes use of the name, mark etc complained off and collateral factors; and
- (e) The manner in which the particular trade is carried on, the class of persons who is alleged as likely to be deceived and all other surrounding circumstances.

Goodwill

63 The Applicants submitted that the evidence shows that the Applicants have been using the Applicants' Marks on their services in Singapore at least as early as 1998. The approximate annual value of the Applicants' services in Singapore is as follows:

Year	Sales Value (SGD)
1998	2,477,418
1999	4,996,335
2000	5,456,491
2001	4,796,289
2002	4,830,764
2003	4,998,152
2004	5,007,528
2005	6,529,275
2006	8,373,887
2007	9,967,706 (unaudited)

Further, the Applicants operate "The Bar" in Oriental Hotel, Singapore and the annual bar revenue is as follows:

Year	Sales Value (SGD)
1999	161,208
2000	179,124
2001	191,160
2002	276,804
2003	297,720
2004	329,320
2005	790,794
2006	1,527,054
2007	1,218,781

In addition, the Applicants submitted that the Applicants' Marks have also been advertised in Singapore through newspapers and magazines.

64 The Applicants referred to *The Law of Passing-off, Christopher Wadlow, 3rd Edition* (“**Wadlow**”) at 3-55 that:

Goodwill is normally created by trading, and very slight trading activities have been held to suffice.

The Applicants also referred to *Alteco Chemical Pte Ltd v Chong Yean Wah trading as Yamayo Stationery Manufacturer [2000] 1 SLR 119* where GP Selvam stated as follows:

In present times, in cases whenever a demand has been created by advertising, and better still if there are actual sales, the law will recognise it as sufficient reputation spawning potential goodwill and grant an injunction, and add to it the ancillary remedy of account of profits: see Turner v General Motors (Australia) Pty Ltd (1929) 42 CLR 352, WH Allen & Co v Brown Watson Ltd [1965] RPC 191 and CDL Hotels International Ltd v Pontiac Marina Pte Ltd [1998] 2 SLR 550. Further, the question of whether there is acquisition of reputation and goodwill will be determined by common sense current at the time of decision. Subject to that gloss, trading, however short it may be, is sufficient to establish goodwill. See Sheraton Corp of America v Sheraton Motels Ltd [1964] RPC 202 and Stannard v Reay [1967] RPC 589.

65 The Applicants submitted that in light of the substantial trading activities, use and promotion of the Applicants' Marks, it is undeniable that the Applicants have acquired the requisite goodwill and reputation in their business under the Applicants' Marks.

66 The Applicants also emphasized that the Registered Proprietors have not filed evidence and have not challenged the evidence filed by the Applicants.

Misrepresentation / Confusion

67 As per the submissions above in relation to similarity of marks under Section 8(2)(b), the Applicants' case is that the Registered Mark is confusingly similar to the Applicants' Marks.

68 The Applicants also reiterated their submissions above in relation to the similarity between the respective services under Section 8(2)(b) such that the Registered Mark includes services which are similar or closely connected or associated with the Applicants' services.

69 Accordingly, the Applicants submitted that there is misrepresentation that would lead the public into thinking that the Registered Proprietors' services originate from the Applicants or are related / associated with the Applicants when this is not the case.

Damage

70 In view of the fact that the Registered Proprietors intend to trade in services which overlap or are closely related to the services of the Applicants, damage or the likelihood of damage is likely to occur. The Applicants submitted that there can be no doubt that the Applicants will suffer loss if the Registered Proprietors are allowed to offer their services bearing a confusingly similar mark to the members of the public as some trade and profit is likely to be diverted to the Registered Proprietors if the public is confused as to the origin of the services.

71 In such cases, damage is usually presumed (*Wadlow*).

72 The Applicants submitted that in the circumstances, use of the Registered Mark would amount to passing off and therefore the Registered Mark should be refused registration.

Decision on Section 8(7)(a)

73 It is clear that in order to establish a course of action under passing off, the 3 elements of (i) goodwill; (ii) misrepresentation; and (iii) damage will have to be made out as per *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 ("*Amanresorts*") at [36] and [37].

Goodwill

74 The Court of Appeal in *Amanresorts* commented at [39]:

To date, Lord Macnaghten's speech in The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited [1901] AC 217 ("IRC v Muller & Co") at 223–224 remains, in our view, the clearest exposition of what goodwill is:

What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has a power of attraction sufficient to bring customers home to the source from which it emanates.

The above passage highlights two essential features of goodwill. First, it is the association of a good, service or business on which the plaintiff's mark, name, labelling, etc (referred to generically as the plaintiff's "get-up") has been applied with a particular source. Second, this association is an "attractive force which brings in custom" (id at 224).

75 I refer to *Law of Intellectual Property of Singapore* (Sweet & Maxwell, Rev Ed, 2009) by Ng – Loy Wee Loon at [17.1.4]:

Since the test for goodwill focuses on the level of the public's awareness of the plaintiff's mark and association of the mark with the plaintiff's goods or services, the plaintiff usually discharges his burden of proving goodwill by tendering evidence of his sales volume, and / or the extent and amount of advertisement and media coverage of his business conducted under the mark, and / or market surveys.

76 I refer again to paragraphs 9 and 10 of the Applicants' SD in relation to the Applicants' sales revenue in Singapore. The approximate sales revenue from Morton's Singapore and The Bar at Morton's respectively is as follows:

Year	Sales value (S\$)	
	Morton's Singapore	The Bar at Morton's
1998	2,477,418	-
1999	4,996,335	161,208
2000	5,456,491	179,124
2001	4,796,289	191,160
2002	4,830,764	276,804
2003	4,998,152	297,720
2004	5,007,528	329,320
2005	6,529,275	790,794
2006	8,373,887	1,527,054
2007	9,967,706 (unaudited)	1,218,781

It is clear from the above that that the Applicants have the requisite goodwill in Singapore.

Misrepresentation

77 On the issue of misrepresentation, the Court of Appeal in *Amanresorts* clarified that the target audience of misrepresentation in a passing-off action is the actual and potential audience of the claimant. Misrepresentation is actionable only if it caused confusion and while there is no need to show *actual* confusion, the court has to assess whether there is a *likelihood* of confusion from the surrounding facts. Relevant factors would include, amongst others, the similarity of the marks, themes, and whether the parties were in the same field or closely related fields of businesses.

78 Following from my conclusion above that there is a likelihood of confusion under Section 8(2)(b), the element of misrepresentation is made out under Section 8(7)(a). In other words, taking into account of all the circumstances, there is a misrepresentation in that the public may be misled into thinking that the Registered Proprietors' services and those of the Applicants originate from the same source or that the parties are connected in some way.

Damage

79 The Court in *Amanresorts* commented at [94]:

The tort of passing off protects the plaintiff against damage caused to the goodwill attached to its business, goods or services by the defendant's misrepresentation. Thus, even if the defendant's misrepresentation is shown to have caused or to be likely to cause confusion between the plaintiff's business, goods or services and those of the defendant, such misrepresentation is not in itself actionable under the law of passing off unless it has caused (or is likely to cause) damage to the plaintiff's goodwill. As correctly identified by the Judge, the test for damage in passing off cases is either "actual or probable damage" (id at [63]) to the plaintiff's goodwill.

80 One of the heads of damage claimed (and succeeded in *Amanresorts*) is restriction on the Respondents' expansion into the residential real estate business. The Court commented at [117]:

We accept the principle that a plaintiff who has established goodwill in one form of commercial activity ("the established activity") may be entitled to protection from passing off vis-à-vis another form of commercial activity which is a natural expansion of the first ("the extended activity")...

The Court however cautioned (at [118]) that it is important that there is close connection between the established activity and the extended activity for that connection forms the foundation for this head of damage.

81 In *Amanresorts*, it was found that the Respondents' field of business was closely connected with the Appellant's field of business as both fields concerned accommodation, and the Respondents were therefore restricted from expanding into the residential accommodation business in Singapore by the Appellant's use of the name "Amanusa". Further, the fact that the Respondents have already expanded into the residential accommodation business overseas buttressed this conclusion.

82 In this instance, the fields of business concerned the provision of food and drinks (above). In fact, the Applicants are already providing bar services which are rather similar to night club services. Thus the Applicants would be restricted from expanding into, night club services, amongst others, by the use / proposed use by the Registered Proprietors of the Registered Mark in relation to the services claimed.

Conclusion

83 As all 3 elements of goodwill, misrepresentation and damage have been made out, the ground of invalidation under Section 8(7)(a) therefore succeeds.

Ground of Invalidation under Section 8(4)(a)(b)(i)

84 Section 23(3)(a)(iii) reads:

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

—
(a) that there is an earlier trade mark in relation to which —

...

(iii) where the trade mark has been registered pursuant to an application for registration of the trade mark made on or after 1st July 2004, the conditions set out in section 8 (4) apply...

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

Section 8(4) of the Act reads:

8.— (4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004, if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if—

(a) the earlier trade mark is well known in Singapore; and

(b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —

(i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; or

(ii) if the earlier trade mark is well known to the public at large in Singapore —

(A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or

(B) would take unfair advantage of the distinctive character of the earlier trade mark.

The definition of an “earlier trade mark” has been referred to above.

The definition of a “well known trade mark” is provided in Section 2(1) to mean:

(a) any registered trade mark that is well known in Singapore; or

(b) any unregistered trade mark that is well known in Singapore and that belongs to a person who —

(i) is a national of a Convention country; or

(ii) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in Singapore.

Section 2(7) of the Act also provides:

Subject to subsection (8), in deciding, for the purposes of this Act, whether a trade mark is well known in Singapore, it shall be relevant to take into account any matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:

(a) the degree to which the trade mark is known to or recognised by any relevant sector of the public in Singapore;

(b) the duration, extent and geographical area of —

(i) any use of the trade mark; or

- (ii) *any promotion of the trade mark, including any advertising of, any publicity given to, or any presentation at any fair or exhibition of, the goods or services to which the trade mark is applied;*
- (c) *any registration or application for the registration of the trade mark in any country or territory in which the trade mark is used or recognised, and the duration of such registration or application;*
- (d) *any successful enforcement of any right in the trade mark in any country or territory, and the extent to which the trade mark was recognised as well known by the competent authorities of that country or territory;*
- (e) *any value associated with the trade mark.*

Section 2(8) of the Act further provides that:

Where it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well known in Singapore.

Pursuant to Section 2(9) of the Act, the “relevant sector of the public in Singapore” includes any of the following:

- (a) *all actual consumers and potential consumers in Singapore of the goods or services to which the trade mark is applied;*
- (b) *all persons in Singapore involved in the distribution of the goods or services to which the trade mark is applied;*
- (c) *all businesses and companies in Singapore dealing in the goods or services to which the trade mark is applied.*

Last but not least, “dilution” is defined in Section 2(1) to mean:

the lessening of the capacity of the trade mark to identify and distinguish goods or services, regardless of whether there is —

- (a) *any competition between the proprietor of the trade mark and any other party; or*
- (b) *any likelihood of confusion on the part of the public.*

[Emphasis all mine.]

Applicants' Submissions

85 The Applicants submitted that in order to succeed under Section 8(4)(a)(b)(i), the following elements must be proved:

- (a) the Applicants' Marks are well known in Singapore;
- (b) use of the Registered Mark in relation to the services claimed would indicate a connection between the services claimed and the Applicants; and
- (c) the interest of the Applicants are likely to be damaged as a result.

Well known mark


86 The Applicants referred to Section 2(7) and Section 2(9). The Applicants submitted that the Applicants' Marks are well known. In support, the Applicants submitted that the following evidence has been furnished and / or the following statements have been given under oath:

- (a) Registrations for the "MORTON'S" mark in Benelux, Canada, China, as a Community Trade Mark, Hong Kong, Japan, Switzerland and Thailand.
- (b) Extract from the Morton's Restaurant Group, Inc. Annual Report 1998 showing that the Applicants' MORTON's mark was first adopted in 1978.
- (c) There are at least 80 MORTON'S restaurants and bars worldwide.
- (d) Estimated annual revenue of Morton's Restaurant Group, Inc. is as follows:

Year	Sales Value (USD) ('000)
1998	189,779
1999	206,869
2000	247,510
2001	236,163
2002	238,137
2003	258,668
2004	276,334
2005	300,690
2006	321,982
2007	353,825

- (e) Evidence of use of the Applicants' Marks in Singapore as set out above.

"Indicate a connection" and "likely to damage the interests of the proprietor of the earlier trade mark"

87 In the case of *Pensonic Corporation Sdn Bhd v Matsushita Electric Industrial Co. Ltd [2008] SGIPOS 9*, the proprietor of the well-known mark "Panasonic" opposed the application for the mark "". The Hearing Officer elaborated on the phrase "indicate a connection at [103]:

I am of the view that if the Applicants' mark is used in Singapore, it is likely that when a consumer sees their Pensonic product, he would think that these products are somehow connected or related to the owner of the Panasonic mark. I do not think that the consumer would just be reminded of the Opponents mark which is insufficient to establish a connection.

In the High Court decision of *Amanresorts Ltd and another v Novelty Pte Ltd* [2008] 2 SLR(R) 32, Tay Yong Kwang J equated the requirements of “indicate a connection” and “likely to damage the interests of the proprietor of the earlier trade mark” with the elements of misrepresentation and damage under the tort of passing-off. He held at [74]:

In my view, the tests to be adopted for "connection" and "is likely to damage the interests of the proprietor" in s 55(3)(a) of the Trade Marks Act are no different from those enunciated in case law on passing off.

[Section 55(3)(a) of the TMA shares similar elements “indicate a connection” and “likely to damage the interests of the proprietor” as Section 8(4)].

This was upheld by the Court of Appeal in *Amanresorts* at [234]:

...we agree with the Judge's finding...that the tests to be adopted for the purposes of the “connection” requirement and the “likely to damage the [plaintiff's] interests” requirement in s 55 (3)(a) of the current TMA would yield the same results as those obtained from applying the corresponding tests vis-à-vis the Respondents' claim for passing off (which tests are, respectively, whether the Appellant has made a misrepresentation to the relevant sector of the public ... which causes that section of the public to mistakenly think that the Project has the same source as or is connected with the Respondents' resorts, and whether such misrepresentation has resulted in or is likely to result in damage to the goodwill attached to the “Aman” names).

The above is subject to one clarification:

However, we pause to clarify that while the tests relating to misrepresentation and damage under the law of passing off are substantively the same as the tests relating to, respectively, the “connection” requirement and the “likely to damage the [plaintiff's] interests” requirement in s 55(3)(a) of the current TMA, the two sets of tests are not identical in one aspect. An important distinction is that the tests relating to misrepresentation and damage in passing off actions concern the plaintiff's goodwill, whereas the corresponding tests under s 55(3)(a) of the current TMA concern the interests of the plaintiff and not its goodwill (indeed, as the definition of “well known trade mark” in s

2(1) of the current TMA makes clear, the plaintiff's trade mark may be a "well known trade mark" for the purposes of s 55(3)(a) even if the plaintiff has no goodwill in Singapore).

88 The Applicants submitted that applying the above principles, the Applicants' submissions in relation to misrepresentation and damage under Section 8(7)(a) apply to the analysis of the elements of "indicate a connection" and "likely to damage the interests of the proprietor of the earlier mark". In summary, in view of the similarity of the compared marks and respective services under the marks, there is a real likelihood that the public will be misled into thinking that the Registered Proprietors' services originate from the Applicants or that there is some connection between the two parties, which is thereby likely to result in damage to the interests of the Applicants.

The earlier trade marks are well known to the public at large

89 The Applicants refer to the Singapore Court of Appeal decision **City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier [2010] 1 SLR 382** ("**City Chain**") where it was held that:

The expression "well known to the public at large" should be given a sensible meaning, bearing in mind that by virtue of s 2(8) of the Act, where a trade mark is well known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well known in Singapore. Thus the test "well known to the public at large in Singapore" must mean more than just "well known in Singapore". To come within the former test, the mark must necessarily enjoy a much higher degree of recognition. It must be recognised by most sectors of the public though we would not go so far as to say all sectors of the public. This approach would be in line with the US approach in determining famous marks.

The Applicants submitted that in light of the evidence furnished, the Applicants' Marks are well known to the public at large.

Dilution

90 The Applicants referred to the definition of "dilution" in Section 2(1) above. The Applicants also referred to *Law of Trade Marks and Passing Off in Singapore (2nd Ed)* by Tan Tee Jim S.C. ("**Tan Tee Jim**") at paragraphs 6.58 and 6.59 which explain that "dilution" essentially means:

...the lessening of the distinctiveness of a well-known trade mark to such an extent that the mark is no longer capable of arousing immediate association with the goods or services for which it is registered. This usually occurs by way of either 'blurring' or 'tarnishing'. 'Blurring' occurs where the singularity or distinctiveness of the mark is impaired or eroded... 'Tarnishing' occurs where a conflicting mark is used in relation to goods or services which are unwholesome,

unsavoury, immoral or of obscene nature or there is a damaging connotation to the positive image or reputation of the well-known mark. The effect is to make the mark less attractive.

91 The author, Tan Tee Jim S.C. also makes reference to the following passage in the UK decision of *Tattinger SA v Albev Ltd* [1993] FSR 641:

The first plaintiff's reputation and goodwill in the description Champagne derive not only from the quality of their wine and its glamorous associations, but also from the very singularity and exclusiveness of the description, the absence of qualifying epithets and imitative descriptions. Any product which is not Champagne but is allowed to describe itself as such must inevitably, in my view, erode the singularity and exclusiveness of the description Champagne and so cause the first plaintiff damage of an insidious but serious kind.

92 The Applicants submitted that the Registered Mark will cause blurring or erode the strong capacity of the Applicants' Marks to exclusively identify the services of the Applicants. If use of the Registered Mark is allowed, the Singapore public on seeing or hearing the mark "MORTON'S" would no longer immediately and exclusively think of the Applicants' Marks. Hence the distinctive character of the Applicants' Marks will be diluted.

Taking unfair advantage of the distinctive character

93 The Applicants submitted that this limb has been described in *Tan Tee Jim* as follows:

It has been said that this phrase is akin to the notions of 'misappropriation' and 'unjust enrichment' and clearly encompasses instances where there is clear exploitation and free-riding on the coattails of a well-known trade mark or an attempt to trade upon its reputation. It requires an inquiry into the benefit to be gained by the applicant from the use of his mark which he seeks to register. The benefit must be of a sufficiently significant degree to warrant restraining what is, ex hypothesi, a non-confusing use. Despite the use of the word 'worse' in the section, there must be evidence of a real, as opposed to a theoretical possibility of taking unfair advantage of the distinctive character.

94 Based on the above, the Applicants submitted that the Registered Mark takes unfair advantage of the distinctive character of the Applicants' Marks. The Applicants' Marks are well known in Singapore. The Applicants' restaurant and bar services have been long established in The Oriental in Singapore, a hotel which is also locally well known. The Registered Proprietors in their registration and / or proposed use of the Registered Mark which is similar to the Applicants' Marks clearly intend to ride on the fame and repute of the Applicants' Marks. The Applicants submitted that there is obvious exploitation and this shows an attempt by the Registered Proprietors to enrich themselves at the Applicants' expense.

95 For the above reasons, the Applicants submitted that the use and registration of the Registered Mark will be contrary to Section 8(4) of the TMA.

Decision on Section 8(4)(a)(b)(i)

Whether the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark

96 Following my conclusion above under the ground of objection in relation to Section 8(2)(b) that the marks are similar, this element has been made out.

Whether the Applicants' Marks are well known in Singapore

97 Section 2(7) (above) provides for factors which can be taken into account from which it may be inferred that the trade mark is well known in Singapore. The Court of Appeal in *Amanresorts* noted, in relation to Section 2(7) at [137]:

*The factors laid out in ss 2(7)(a)–2(7)(e) of the current TMA (which collectively correspond to Art 2(1)(b) of the Joint Recommendation) are not an exhaustive list in that the court is obliged to take into account “**any** matter from which it may be inferred that the trade mark is well known” [emphasis added] (per s 2(7) of the current TMA). It appears that the court is ordinarily free to disregard any or all of the factors listed in s 2(7) as the case requires (subject to one particular factor which we shall discuss at [139]–[140] below), and to take additional factors into consideration. The list of factors in s 2(7) can thus be more accurately described as a set of guidelines.*

[Emphasis as underlined mine.]

98 The Court in *Amanresorts* also noted that it would appear that Section 2(7)(a) is the most important factor due to the deeming provision in Section 2(8) where it provides that where it is determined that a trade mark is well-known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well-known in Singapore. The Court provided at [139] and [140]:

Despite what has been said earlier, it can be persuasively said that s 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore... This is because, by virtue of s 2(8) of the current TMA:

Where it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well known in Singapore.

*This deeming provision suggests that the court cannot disregard s 2(7)(a) (which looks at “the degree to which the trade mark is **known to or recognised by any**”*

relevant sector of the public in Singapore” [emphasis added]) in its deliberations. Indeed, it appears that all the other factors listed in s 2(7) are irrelevant once it is determined that the trade mark in question is well known to “any relevant sector of the public in Singapore” (per s 2(7)(a)).

[Emphasis as underlined mine.]

99 As reproduced above Section 2(9) provides the definition of the “relevant sector of the public in Singapore” as the phrase is used in Section 2(7) and 2(8). The Court of Appeal in *Amanresorts* further clarified that the phrase in Section 2(9)(a) “all actual and potential consumers” covers the actual consumers and potential consumers of the *plaintiff’s goods or services* only, as opposed to all actual consumers and potential consumers of *the type of goods or services* to which the plaintiff’s trade mark was applied. In an invalidation action, it would mean that “all actual consumers and potential consumers” in Section 2(9)(a) would cover all actual consumers and potential consumers of the *Applicants’ services* only.

100 Applying the factors provided under Section 2(7), the Applicants' tendered evidence are as follows:

- (i) The evidence as to the sales revenue in relation to the services provided under the Applicants' Marks in Singapore above.
- (ii) The Applicants' "MORTON'S" mark was first adopted in 1978 in Chicago, Illinois (paragraph 7 of the Applicants' SD). There at least 80 MORTON'S locations worldwide and the estimated annual revenue of Morton’s Restaurant Group, Inc. worldwide is as follows:

Year	Sales Value (USD) (in '000)
1998	189,779
1999	206,869
2000	247,510
2001	236,163
2002	238, 137
2003	258, 668
2004	276,334
2005	300,690
2006	321,982
2007	353,825

- (iii) The Applicants are the proprietors of the "MORTON'S" mark in several countries including Benelux, Canada, China, as a Community Trade Mark, Hong Kong, Japan, Switzerland, and Thailand (paragraph 6 of the Applicants' SD).

101 Due to the deeming provision (Section 2(8)), I only need to consider if the Applicants' Marks are well known to the relevant sector of the public in Singapore. Taking into account the approximate sales revenue in relation to the restaurant and bar services provided in Singapore under the Applicants' Marks (above), I think it would be a fair statement to make that the Applicants' Marks are well known to either (i) all actual and potential consumers in Singapore of the services to which the Applicants' Marks are applied; (ii) all persons in Singapore involved in the distribution of the services to which the Applicants' Marks are applied; or (iii) all business and companies in Singapore dealing in the services to which the Applicants' Marks are applied. It is to be recalled that "all actual and potential consumers in Singapore" in Section 2(9)(a) only refers to all actual and potential consumers of the Applicants only.

102 Thus it can be concluded that the Applicants' Marks are well known in Singapore.

Whether use of the Registered Mark would indicate a connection between the services and the Applicants and is likely to damage the interests of the Applicants

103 In relation to this element, the Applicants have correctly stated the test in their written submissions as the exposition by the Court of Appeal at [234] in *Amanresorts* (above).

104 Therefore, in relation to the element of a "connection" as I have found that there is a likelihood of confusion under Section 8(2)(b) and that the element of misrepresentation has been made out under the ground of objection under Section 8(7)(a), this element is also made out. Similarly, in relation to the element of "likely to damage", as I have found that the element of damage have been made out under the ground of objection under Section 8(7)(a), this specific requirement has also been made out.

105 The ground of objection under Section 8(4)(a)(b)(i) therefore succeeds.

Decision on Section 8(4)(a)(b)(ii)

Whether the earlier trade marks are well known to the public at large

106 The Applicants have pertinently pointed out the relevant passage in the case of *City Chain* as to what the above elements entails. I would only further add that the Court of Appeal in *Amanresorts* commented, at [229] that:

Such protection ...should, for now, properly be the preserve of a rare and privileged few.

[Emphasis mine.]

107 In view of the evidence tendered as summarised above, while it can be said that the Applicants' Marks are well-known to the relevant sector of the public in Singapore

such that it is well-known in Singapore, I find it difficult to conclude that the Applicants' Marks is well-known to the public at large in Singapore ie to most sectors of the public in Singapore.

Dilution and taking an unfair advantage of the distinctive character

108 As I have found that the Applicants' Marks are not well known to the public at large, there is no need for me to look into these elements.

Conclusion

109 Taking into account of all of the above, the ground of objection under Section 8(4)(a)(b)(ii) therefore fails.

Conclusion

110 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the invalidation succeeds under Section 23 read with Sections 8(2)(b), 8(7)(a) and Section 8(4)(a)(b)(i) but fails under Section 23 read with Sections 8(4)(a)(b)(ii).

111 Accordingly, Trade Mark Registration No. T0611218B is hereby declared invalid. In accordance with Section 23(10) of the Act, the registration is deemed never to have been made, but this shall not affect transactions past and closed. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 21th day of January 2011

Sandy Widjaja

Principal Assistant Registrar of Trade Marks
Hearings and Mediation Division
Intellectual Property Office of Singapore