

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

Trade Mark Application No. T0605049G
20 April 2011

**APPLICATION FOR AMENDMENT OF PLEADINGS
AND FOR ADMISSION OF FURTHER EVIDENCE
IN A TRADE MARK APPLICATION
BY THE TIMBERLAND COMPANY**

AND

**OBJECTION THERETO
BY AVTAR SINGH AND HARKIRAT SINGH
TRADING AS AERO CLUB**

Principal Assistant Registrar Lee Li Choon
25 April 2011

Interlocutory hearing – application for leave to amend the Notice of Opposition to include a ground of opposition under section 7(6) of the Trade Marks Act – amendment of Notice of Opposition – new ground of bad faith under section 7(6) of the Trade Marks Act – application for leave to admit further evidence – application to amend the Notice of Opposition to delete section 55 and Article 6bis of Paris Convention of the Trade Marks Act from the Notice of Opposition – application to clarify that the Notice of Opposition includes grounds of opposition under section 8(4)(ii)(A) and (B) of the Trade Marks Act – application to proceed with opposition on grounds of opposition under section 8(4)(ii)(A) and (B) of the Trade Marks Act

Background

The Timberland Company ("the Opponents") filed their Notice of Opposition on 3 August 2007 to oppose the registration of Avtar Singh and Harkirat Singh trading as Aero Club's ("the Applicants") application T0605049G for the Applicants' Mark, "WOODLAND" and tree device. In response, the Applicants filed their Counter-statement on 29 November 2007. The evidence closed on 18 October 2010 upon the filing of the Opponents' Statutory Declaration in Reply. On 1 and 2 December 2010, the Opponents and Applicants respectively wrote to the Registrar to confirm that the parties were ready to proceed to a full hearing. Pursuant to this, the Registrar sent out a notice dated 16 December 2010 fixing the matter for an Opposition hearing on 23 February 2011. Subsequent to this, as both parties needed more time to file their written submissions and bundle of authorities, the Registrar postponed the hearing to 9 March

2011. Subsequent to this, the Opponents and the Applicants filed their written submissions and bundle of authorities with the Registrar on 9 February 2011 and 14 February 2011 respectively. On 17 February 2011, the Applicants informed the Registrar that their counsel would not be available on 9 March 2011 and the Registrar then re-fixed the hearing on 23 March 2011.

A few days before the date of Opposition hearing, on 18 March 2011, the Opponents informed the Registrar that they would not be able to attend the hearing fixed on 23 March 2011. As the Registrar was informed by the Applicants that they had no objection to this postponement, the Registrar proceeded to vacate the hearing on 23 March 2011 and the Opposition hearing was re-fixed on 13 April 2011. A few days before the new date of Opposition hearing, on 8 April 2011, the Opponents wrote to inform the Registrar that new evidence had come to light which was pertinent to the opposition and that the Opponents wished to amend the Notice of Opposition to add a new ground for opposition – that of bad faith under section 7(6) of the Trade Marks Act. The amended Notice of Opposition and a copy each of the Statutory Declaration by Mr Hoo Guan Seng and the Statutory Declaration by Ms Tang Peifen of Commercial Investigations LLP, both declared on 7 April 2011, were submitted for consideration. On 11 April 2011, the Registrar responded to both parties, directing that the Opposition hearing shall proceed on 13 April as scheduled.

At the hearing on 13 April 2011, one further issue cropped up – whether the Opponents should be allowed to proceed on section 8(4)(b)(ii)(A) and (B) without amending the grounds of opposition or whether they should be given leave to amend the grounds of opposition to include section 8(4)(b)(i)(A) and (B) given that they had pleaded generally section 8(4) in their Notice of Opposition filed on 3 August 2007. At the hearing, the Applicants had taken the position that only section 8(4)(b)(i) was pleaded and the Applicants had therefore responded and made submissions only on this ground.

Issues

The issues before the Registrar at this interlocutory hearing are:

- (i) Whether the Opponents may amend the Notice of Opposition by inserting a new ground of opposition under section 7(6) of the Trade Marks Act
- (ii) Whether the Opponents may adduce further evidence being the statutory declaration by Mr Hoo Guan Seng and the statutory declaration by Ms Tang Pei Fen, both dated 7 April 2011
- (iii) Whether the Opponents may amend the grounds of opposition at paragraphs 13, 14 and 16, which includes replacing the earlier references to Article 6bis of the Paris Convention and section 55 of the Trade Marks Act with clarified references to section 8(4)(b)(i), section 8(4)(b)(ii)(A) and of the same Act
- (iv) Whether, if the application under (iii) fails, the Opponents may nonetheless proceed on section 8(4)(ii)(A) and (B) without amending the grounds of opposition

Parties' Submissions on Issues (i) and (ii)

As issues (i) and (ii) are intertwined, I will deal with both issues together. On issue (ii), the Opponents' case is that the Registrar has the discretion to give leave to either party to file further evidence upon such terms as to costs or otherwise as the Registrar thinks fit under Rule 35 of the Trade Marks Rules. The Opponents argued that the inclusion of the further evidence is in line with the circular issued by the Hearings and Mediation Division (HMD) of the Intellectual Property Office of Singapore (IPOS), HMD Circular No.1/2011 wherein it was stated that the Registrar will consider the need to ensure that there is proper adjudication of a case based on the merits in the interest of justice between the parties. The Opponents also relied on the leading case on the issue of new evidence, *Ladd v Marshall [1954] 1 WLR 1489*, where it was held that to justify the reception of fresh evidence, three conditions must be fulfilled: first, it must be shown that the evidence could not have been obtained with reasonable diligence for use at the trial; secondly, the evidence must be such that, if given, it would probably have an important influence on the result of the case, though it may not be decisive; thirdly, the evidence must be such as is presumably to be believed, or in other words, it must be apparently credible, though it need not be incontrovertible. On issue (i), the Opponents' case is that the Registrar should allow the further evidence to be submitted and as the further evidence shows that the Applicants had acted in bad faith, the Registrar ought to allow the inclusion of the ground of bad faith.

On issues (i) and (ii), the Applicants cited the case of *Sin Leng Industries Pte Ltd v Ong Chai Teck and others [2006] 2 SLR(R) 235* for the principle that the later the amendment to pleadings is sought, the more difficult it would be to say that justice lies in the direction of allowing the amendment and that a clear differentiation should be drawn between an amendment that merely clarifies an issue in dispute and one that raises a totally different issue at too late a stage; in the latter case, the amendment should not be allowed. The Applicants also submitted that there is nothing in the new evidence sought to be admitted by the Opponents that may be considered as "new" evidence as the Applicants' evidence which consisted of the statutory declaration of Mr Harkirat Singh and which was filed on 18 November 2009 showed pictures of the Applicants' "WOODLAND" mark and the invoices also showed that the Applicants had supplied footwear to Mustafa Centre. On issue (ii), the Applicants pointed to the sequence of events and suggested that the Opponents had been tardy in gathering their evidence and framing the Opponents' case. The Applicants argued therefore that the Registrar should not allow the further evidence to be admitted.

Registrar's Decision on Issues (i) and (ii)

On issues (i) and (ii), held, disallowing the amendment of the Notice of Opposition and admission of further evidence.

1. The following factors were considered by the Registrar in exercising the discretionary power not to allow the amendment of the Notice of Opposition to include a new

ground of opposition under section 7(6) of the Trade Marks Act and the admission of further evidence under this ground:

- (i) The late stage of the proceedings in which the amendment to the Notice of Opposition and admission of further evidence are sought.
2. The amendment of the Notice of Opposition and the admission of further evidence were sought to be included at a very late stage of the proceedings. To be precise, they were sought 3 working days before the latest hearing date of 13 April 2011. As both parties were already ready for the case to proceed to a hearing on 9 March 2011 given that they had in February 2011 already filed their written submissions and bundles of authorities for the hearing on 9 March 2011, it can even be said that the amendment to the Notice of Opposition and inclusion of further evidence are sought after the hearing date itself. It is to be noted that the postponement of the hearing on 9 March 2011 was initiated by the Applicants and it was brought about because of the unavailability of the Applicants' counsel. It is to be noted that the further evidence sought to be included by the Opponents (the statutory declarations of Mr Hoo Guan Seng and Ms Tang Pei Fen) contain evidence of events, namely investigations on behalf of the Opponents, that occurred on 17 to 19 March 2011. Clearly, this period falls after the hearing date of 9 March 2011. In the case of *Sin Leng Industries Pte Ltd v Ong Chai Teck and others [2006] SGHC 25*, the High Court dismissed the application to amend the statement of claim that was made in the second week of the trial proceedings. The High Court opined at [23] that, "*the later an amendment to pleadings was sought, and especially so when it was sought in the middle of a trial, the more difficult it would be to say that justice lay in the direction of allowing the amendment.*"
3. Considering that the hearing date was postponed a few times and considering that there was representation from the Opponents that they were ready to proceed to a full hearing as early as 1 December 2010 and that both parties have already filed their written submissions and bundles of authorities for the hearing, it cannot be said that the need for an amendment to the Notice of Opposition and inclusion of the further evidence could not have been anticipated or foreseen earlier.
4. The Opponents could not point to any new development or any new information or evidence that triggered the investigations that led to the need for further evidence to be admitted and consequently, the need to include the new ground of opposition under section 7(6). The Opponents did not supply any reasonable explanation as to why they conducted the investigations at a very late stage. There was a clear reference by the Applicants to the sale of goods bearing the Applicants' Mark, the "WOODLAND" mark and or the tree device in paragraph 16 of the Applicants' statutory declaration, that of Mr Harkirat Singh dated 29 October 2009 and served on the Opponents on or about 18 November 2009. To substantiate such sales, the Applicants lodged copies of various invoices showing sales of goods from the Applicants to Mustafa Centre at exhibit marked "Annexure-D" to the said statutory declaration. From this exhibit, it can be seen that the Applicants had sold goods to

Mustafa Centre in 2005, 2006 and 2007. Thus, as from the date of being served the Applicants' statutory declaration, the Opponents would have been made aware of the fact that goods bearing the Applicants' Mark are available for sale at the Mustafa Centre and that an investigation on the Applicants' goods there may yield relevant evidence for their case. Thus, any necessary investigations by the Opponents should have been triggered as early as November 2009, and if arising from the investigations, there is a need for an amendment of the Notice of Opposition and a need to include further evidence, this could have been sought soon thereafter. If the Opponents had sought the amendment and the inclusion of the further evidence following such investigations then, the amendment and further evidence would have been allowed, the justification being that the amendment and further evidence were necessitated by the evidence filed by the Applicants.

(ii) The prejudice to the other party cannot merely be remedied by costs

5. This is not a case where the prejudice to the Applicants could be remedied by compensating the Applicants with costs. The Applicants had prepared their case on the basis of the grounds of opposition in the Notice of Opposition and all the grounds pertain to the Opponents' earlier rights in their "Timberland" with tree device marks. The bad faith ground under section 7(6) is a distinct ground and very different from the opposition grounds based on "earlier rights". A case of bad faith introduced at this stage therefore presents a totally new case against the Applicants. Consequently, the considerations and the assessment of the Applicants' case in response to the opposition against their application would take on a different dimension for the Applicants. Put in another way, the Applicants could well have adopted a response strategy different from what the Applicants had done if they had known that the case for them to answer includes that of bad faith. Now at this late stage, when the case was proceeding to a hearing and indeed has proceeded to a hearing with submissions, it would be highly prejudicial to the Applicants if the Registrar were to allow the inclusion of this new ground and the further evidence in support of this new ground. Further, the whole proceedings would have to be unraveled and the Applicants would have to backtrack to the filing of their Counter-statement. The inconvenience, expense and strategy costs in totality cannot be easily compensated with costs to the Applicants.

(iii) The substantiality of the amendment sought

6. The amendment sought to be made to the Notice of Opposition is substantial in nature in that it is a whole new case against the Applicants altogether. As stated by the Court of Appeal in *McDonald's Corp v Future Enterprises Pte Ltd [2005] 1 SLR 177* at [78], an allegation of bad faith is a serious allegation and it must be distinctly alleged and distinctly proved. By extrapolation, it can also be said the ground of bad faith must be specifically pleaded right at the outset or if not at the outset, it should be pleaded at an early stage to allow ample opportunities for both parties to present their respective case. The ground of bad faith and further evidence in support thereof should not be slipped in just before the hearing to scuttle the case for the Applicants.

In the case of *Sin Leng Industries Pte Ltd v Ong Chai Teck and others [2006] SGHC 25*, the High Court refused to allow the plaintiff to amend their pleadings in a drastic way. The High Court was of the view that the case was not a case where the payment of costs would compensate for the surprise sprung on the other party should the amendment have been allowed and there was no reason why the trial dates should be vacated because of the plaintiff's failure to organize itself properly for the trial. Similarly, upon an examination of the circumstances of this case, there is also no reason for allowing the Opponents to spring a surprise on the Applicants or to subject the Applicants to answering to a totally new case against them.

Conclusion on issues (i) and (ii)

7. Having weighed the above factors in totality against the desirability of having the substantial issues satisfactorily and fully considered and determined, I am of the view that the latter factor is outweighed by the totality of all the factors that I have considered above. This decision is in line with the practice guidelines as set out in HMD Circular 2/2010 and HMD Circular 1/2011. It remains for me to dispose of the argument against multiplicity of proceedings. Suffice for me to say that, if there would end up a multiplicity of proceedings, the Opponents only have themselves to be blamed.

On issues (iii) and (iv), held, disallowing the substitution of provisions in the Notice of Opposition sought by the Opponents but allowing the Opponents to proceed on section 8(4)(ii)(A) without amending the grounds of opposition in the Notice of Opposition.

Registrar's Decision on issues (iii) and (iv)

8. The following were considered by the Registrar in arriving at the decision on issues (iii) and (iv).
9. The grounds of opposition under section 8(4)(b)(ii)(A) and (B) are substantively different from the provisions of section 55 and Article 6bis of the Paris Convention. As stated by **the Court of Appeal in *Mobil Petroleum Co, Inc v Hyundai Mobis [2009] SGCA 38*** at [118], the law of registration of marks is exhaustively laid down in Part II of the Trade Marks Act and the provisions from other parts dealing with other subject matter are not relevant to the issue of whether marks can be registered. Thus, the amendments sought which is to substitute references to section 55 of the Act and Article 6bis of the Paris Convention with section 8(4)(b)(ii)(A) and (B) which are grounds of opposition related to the registration of marks cannot be allowed as the amended version is totally different. It is not a case of amendments for the purpose of adding clarity to or clarifications of the pleadings. It is a case of a substantive amendment of the original pleadings and such amendments cannot and should not be allowed at such a late stage of the proceedings. In any event, as section 55 and Article 6bis of the Paris Convention are not relevant for the purpose of the

opposition proceedings, these provisions will just not be considered and rendered redundant.

10. However, a closer examination of paragraph 16 the Notice of Opposition shows that the Opponents did make reference to the Opponents' marks being one that the "public at large" would associate as well-known to the Opponents and therefore use of the Applicants' Mark would "unfairly lessen the capacity of the Opponents' Mark to identify and distinguish" the Opponents' goods. As "dilution" is defined in section 2 of the Trade Marks Act as "the lessening of the capacity of the trade mark to identify and distinguish goods", it could be argued on the face of the wording in paragraph 16 that although the specific subsection of section 8(4)(b) has not been specifically pleaded, the Opponents did plead section 8(4)(b)(ii)(A) in substance (see the principles distilled by the Registrar in various scenarios in *Crown Confectionery Co Ltd v Morinaga & Co Ltd [2008] SGIPOS 12* at [67]). On the basis that this ground has been pleaded by the Opponents in substance, the Opponents may proceed to make submissions to make out their case under section 8(4)(b)(ii)(A).

Conclusion on issues (iii) and (iv)

11. In conclusion, the Registrar hereby directs that the Opposition hearing be resumed only for the purpose of allowing the Opponents the opportunity to make submissions on section 8(4)(b)(ii)(A) and for the Applicants to make submissions in response thereof.
12. As the Opponents have failed on issues (i), (ii) and (iii), the Applicants are hereby awarded costs of \$800 (comprising \$500 for preparation for the interlocutory hearing and \$300 for attending the interlocutory hearing in accordance with the Fourth Schedule of the Trade Marks Rules).

Legislation discussed:

Trade Marks Act (2005 Rev Ed), section 8(4)(b)(i), section 8(4)(b)(ii)(A), section 8(4)(b)(ii)(B), section 55
Trade Marks Rules (2008 Rev Ed), rule 35

Cases referred to:

McDonald's Corp v Future Enterprises Pte Ltd [2005] 1 SLR 177
Mobil Petroleum Co, Inc v Hyundai Mobis [2009] SGCA 38
Crown Confectionery Co Ltd v Morinaga & Co Ltd [2008] SGIPOS 12
Sin Leng Industries Pte Ltd v Ong Chai Teck and others [2006] SGHC 25

Representation:

Ms Deryne Sim with Xiao Yong (ATMD Bird & Bird LLP) for the Applicants
Ms Mary Thomas with Ms Kiran Dharsan (Ella Cheong Spruson & Ferguson (Singapore) Pte Ltd) for the Opponents