

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

Trade Mark Registration No. T0608142B  
10 February 2011

**IN THE MATTER OF A TRADE MARK REGISTRATION BY**

**BEES S.R.L.**

**AND**

**INVALIDATION THEREOF BY**

**BORRI S.P.A.**

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

Mr G. Radakrishnan (as instructed by Henry Goh (S) Pte Ltd) for the Applicants

Mr Ian Oei (Drew & Napier LLC) for the Registered Proprietors

*Cur Adv Vult*

**GROUNDS OF DECISION**

1 Bees S.r.l. is the registered proprietors ("Registered Proprietors") of T0608142B as follows:

**BORRI**

for the following goods in Class 9:

*Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus ("Registered Mark").*

The application for registration was filed on 28 April 2006 and the same was registered on 3 April 2007.

2 Borri S.p.A., the applicant for invalidation ("Applicants") filed an application for a declaration of invalidity on 18 June 2008. The Registered Proprietors filed their Counter-Statement on 17 October 2008. The Applicants filed their evidence on 18 February 2009. On 23 November 2009, the Registered Proprietors filed their evidence. Finally the Applicants filed their evidence in reply on 28 July 2010. A Pre-Hearing Review was convened on 26 August 2010. At the Pre-Hearing Review Counsel for the Registered Proprietors requested for a month to explore possible negotiations, which was granted. However on 8 October 2010, the Registered Proprietors wrote in to inform the Registrar that they were instructed to proceed with the defence of the invalidation action and the Applicants similarly confirmed on 11 October 2010 that they were instructed to proceed with the invalidation action. Therefore, a hearing date was set down for 10 February 2011.

### **Grounds of Opposition**

3 The Applicants, at the Pre-Hearing Review confirmed that they are relying 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 7(6);
- (ii) Section 8(1);
- (iii) Section 8(2)(a);
- (iv) Section 8(2)(b);
- (v) Section 8(4)(a)(b)(i);
- (vi) Section 8(7)(a); and
- (vii) Section 55.

However in their written submissions and at the hearing itself, the Applicants confirmed that they are not proceeding on Sections 8(4)(a)(b)(i) and 55.

## **Registered Proprietors' Evidence**

4 The Registered Proprietors' evidence was sworn by Mr Luciano Brocchi, President of the Registered Proprietors ("Registered Proprietors' SD").

## **Applicants' Evidence**

5 The Applicants' evidence comprises a Statutory Declaration sworn by Mr Fausto Beoni, the managing director of the Applicants. The Applicants' evidence was filed on 18 February 2009 ("Applicants' 1<sup>st</sup> SD") and their evidence in reply was filed on 28 July 2010 ("Applicants' 2<sup>nd</sup> 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) ("TMA") 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 they are the proprietors of the following marks:



collectively, "Applicants' Marks".

These marks are used on rectifiers/battery chargers, DC/AC inverters, uninterruptible power systems (UPS), converters, AC/DC distribution panels, static transfer switches, energy systems and related goods ("the Applicant's Goods").

9 The Applicants deposed that the Applicants in its present form and name were established in 1990 but the business activity was carried on through previous companies (Applicants' predecessors") and this started in 1932. It is the Applicants' evidence that the Applicants' predecessors have been manufacturing the Applicants' Goods and using the Applicants' Marks since 1932 or for some 75 years. The word "Borri" is the surname of the founder of the first Borri company, Mr Ernesto Borri.

10 The Applicants deposed that the Applicants undertook several changes but throughout the aforesaid changes the Applicants' Marks were continuously used on the

Applicants' Goods. The BORRI word mark was first used by the Applicants' predecessors in 1932 on their inception in Italy. In 1980, they commenced use of the BORRI logo and in 1990 they commenced use of the BORRI logo and device. The above is all in relation to the Applicants' Goods.

11 The Applicants did not register their marks until 2003 when an application to register the mark in Italy in Class 9 was filed by Invensys Power Systems S.p.A. ("Invensys Power"). This registration is now in the name of the Applicants. The Applicants deposed that they did not see the need to register the mark BORRI as it was well known as the Applicants' mark and there was no other person using the same mark on goods identical / similar to the Applicants' Goods. The Italian application led to registration 1020512 for the mark "BORRI" for goods in Class 9 and protection was granted as of 25 July 2003 ("Applicants' Italian Registration").

12 The Applicants have an International Registration for the mark BORRI in Class 9 under registration number 916014 ("IR 916014") for *electric apparatus, continuity power units, current rectifiers, inverters (electricity, static switches, energy stations, distribution boards (electricity))*. IR 916014 was registered at WIPO on 11 September 2006 and the designated countries for protection include Singapore. IR 916014 bears the application number T0707026B in Singapore and the date of notification to the Registrar of Trade Marks at IPOS was 29 March 2007 ("Applicants' Singapore Application"). Registration was refused for T0707026B due to the Registered Mark. IR 916014 also designated several other countries including Austria, Benelux, Switzerland, China, Cyprus, Czech Republic, Germany, Algeria, Egypt, Spain, France, Iran, Kazakhstan, Morocco, Romania, Russia, Slovenia, Syria, Australia, United Kingdom, Greece, Ireland, Japan, Republic of Korea, Turkmenistan, Turkey and America for protection.

13 The approximate worldwide turnover of the Applicants is as follows:

<u>Year</u>	<u>Turnover in Euros</u>	<u>In S\$ at then exchange rate</u>
2001	33,376,000	54,774,354
2002	27,552,000	45,450,881
2003	23,149,000	42,059,418
2004	14,124,000	30,273,522
2005	15,470,000	33,851,918
2006	14,141,000	28,126,024
2007	16,753,000	33,744,730
2008 (forecast)	21,000,000	44,470,650

14 In relation to promotion, the Applicants' evidence is that they have been promoting the Applicants' Goods bearing the Applicants' Marks in various countries by participating in fairs and exhibitions, publishing catalogues and through other general advertising in trade journals. As provided in paragraph 27 of the Applicants' SD the Applicants' advertising expenditure worldwide are as follows:

<u>Year</u>	<u>Expenditure in Euros</u>	<u>In S\$ at then exchange rate</u>
2001	4,063,783	6,669,196
2002	8,576,851	14,148,716
2003	9,398,293	17,075,758
2004	2,991,089	6,411,130
2005	3,773,808	8,257,959
2006	2,285,953	4,546,691

15 The Applicants also provided evidence in relation to the Registered Proprietors. The Applicants deposed that the Registered Proprietors, established on 9 November 2005, are also located in the city of Bibbiena in Italy and that they were established by former employees of the Applicants.

16 The Registered Proprietors did not provide much background in relation to their own history. In addition to the fact that they were established in November 2005, they further deposed that since early 2006 they have filed for and secured registration for BORRI in Classes 9, 37 and 42 in numerous countries.

## MAIN DECISION

### Ground of Invalidation under Section 23(1) read with Section 7(6)

17 Section 23(1) reads:

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

Section 7(6) of the Act reads:

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

## ***Applicants' Submissions***

### *Evidence in relation to bad faith*

18 As mentioned above, the Applicants' evidence is that the Applicants in their present form and name were established in 1990 but the business was carried on through the Applicants' predecessors since 1932. The Applicants' predecessors have been manufacturing the Applicants' Goods and using the Applicants' Marks (as and when the Applicants' Marks are developed) in relation to the Applicants' Goods since 1932, that is, for some 79 years as of the hearing date. Further, the word BORRI is the surname of the founder of the first BORRI company in 1932, Mr Ernesto Borri.

19 The Applicants provided the specifics of their history as follows. The first of the Borri companies established by Mr Ernesto Borri was Borri Elettronica Industriale S.p.A ("Borri S.p.A") in 1932. Borri S.p.A was converted into and incorporated as Borri Elettronica Industriale S.r.l ("Borri S.r.l") in April 1990. Borri S.r.l took over and continued to carry on the business previously carried on by Borri S.p.A. The goodwill in the business of Borri S.p.A was passed to Borri S.r.l by reason of the conversion to and incorporation of Borri S.r.l.

Borri S.r.l was acquired by the General Signal Group ("GSC") in 1990 and became a subsidiary of the GSC which in turn was acquired in 1999 by the Invensys Group ("Invensys") and Borri S.r.l became a subsidiary of Invensys. In 2002, another Italian company Lambda Electronics S.r.l was merged into Borri S.r.l and the merged company was called Invensys Power. In 2003, Invensys Power changed its name to Powerware S.p.A ("Powerware"). In 2004 Powerware was acquired by the Eaton Group and the name was changed to Eaton Power Quality S.p.A ("Eaton Power"). In 2005 Eaton Power was acquired by Energy Enterprises S.r.l and the name was changed back to Borri S.p.A. The Applicants referred to Exhibit FB-1 of the Applicants' 1<sup>st</sup> SD.

20 The Applicants' evidence is that throughout the said changes, the corporate entity remained the same and the Applicants' Marks were continuously used on the Applicants' Goods. The word mark BORRI was first used by Borri S.p.A. in 1932 at its inception in Italy. In 1980, Borri S.p.A. commenced use of the BORRI logo and in 1990 it started use of the BORRI logo and device, all in relation to the Applicants' Goods.

21 As mentioned above, the Applicants' Italian Registration was granted as of 25 July 2003 (Exhibit FB-2 of the Applicants' 1<sup>st</sup> SD). The Applicants emphasized that this date of the Applicants' Italian Registration is earlier than the registration date of the Registered Mark which is 28 April 2006.

The Applicants also referred to IR 916014 and the Applicants' Singapore Application. The Applicants' evidence is that IPOS has refused registration of Applicants' Singapore Application because of the Registered Mark and the Applicants are thus aggrieved that the Applicants' Marks has been copied and registered by the Registered Proprietors

before the Applicants such that as a result, the Applicants' Singapore Application was not allowed to proceed to registration. The Applicants referred to Exhibit FB-3 of the Applicants' 1<sup>st</sup> SD for details of Applicants' Singapore Application.

22 In relation to the Registered Proprietors, the Applicants deposed that the Registered Proprietors were established on 9 November 2005, a date well after the Applicants and is located a few kilometres from the Applicants in the city of Bibbiena in Italy. The Applicants' evidence is that the Registered Proprietors were established by former employees of the Applicants. The President of the Registered Proprietors is Luciano Brocchi and a director of the Applicants is Luca Mori (see Exhibit FB-5 of the Applicants' 1<sup>st</sup> SD in relation to details of the Registered Proprietors).

The Applicants' evidence is that both Brocchi and Mori were dismissed from the employment of the Applicants in 2005 along with others, including Enrico Borri, who has no relation to the founder of the Applicants or their descendants. During their employment with the Applicants, Brocchi worked in the products department and Mori was the business manager for overseas markets. Borri was in the service department (see Exhibit FB-6 as to the communication to Brocchi and Mori of the details of their termination).

23 The Applicants deposed that Brocchi and Mori together with other former employees who formed the Registered Proprietors then made applications to register the Registered Mark in Singapore and other countries without the knowledge and consent of the Applicants. The Applicants' case is that the Registered Proprietors were thus aware at all times of the Applicants, their ownership and use of the Applicants' Marks on the Applicants' Goods. The Applicants emphasized that the Registered Proprietors were registered on 9 November 2005 which is only 2 weeks after the termination of employment with the Applicants.

24 In relation to actions overseas, the Applicants' evidence is that they have commenced an action in Italy to cancel the Registered Proprietors' Italian registration number 1015430 in Classes 37 and 42 for service marks (Registered Proprietors' Italian Registration). The Applicants emphasized that the Registered Proprietors, curiously, do not have a Class 9 application / registration in Italy for goods similar to the goods claimed for under the Registered Mark. The Applicants submitted that this is telling. The Italian Court has since cancelled the Registered Proprietors' Italian Registration (see Tab 2 of the Applicants' Bundle of Authorities "BOA").

25 The Applicants also commenced an invalidation action in the United Kingdom against the Registered Proprietors' corresponding Class 9 Registration 2420778 and again the UK Registry has ruled in favour of the Applicants ("UK Invalidation Decision") (see Tab 3 of the Applicants' BOA). The Applicants submitted that the Registered Proprietors did not appeal against the UK Invalidation Decision which meant that the Registered Proprietors accepted the findings. As a result of the UK Invalidation Decision, the Applicants have IR 916014 in the United Kingdom.

26 The Applicants also brought an action in passing off in Hong Kong against their former distributors for usurping and seeking to register and use in Hong Kong the Applicants' Marks. The defendants there also alleged abandonment of use by the Applicants of the Applicants' Marks. However, the Court of First Instance and the Court of Appeal in Hong Kong found for the Applicants on passing off and found no abandonment of the Applicants' Marks as alleged by the Hong Kong defendants (see Exhibit FB-14 of the Applicants' 2<sup>nd</sup> SD for copies of the 2 decisions). The Applicants submitted that the decisions reinforce the submission that what the Applicants have deposed in the Applicants' 1<sup>st</sup> and 2<sup>nd</sup> SDs in the current proceedings are true.

27 The Applicants tendered evidence as to use of the Applicants' Marks since 1932 on the Applicants' Goods (see in particular Exhibit FB-7):

<u>S/N</u>	<u>Date</u>	<u>Document</u>
1.	16.07.97	Specs of UPS E2001
2.	1999-2000	E2001 Series UPS
3.	2000	UPS brochure
4.	10 Oct 2001	Product catalogue
5.	2002-2003	Brochure
6.	2004-2005	Product catalogue
7.	4 Oct 2006	Reference List

28 The Applicants also tendered evidence as to the use of the Applicants' Marks in various countries (paragraph 22 of the Applicants' 1<sup>st</sup> SD):

<u>Year</u>	<u>Country</u>	<u>Year</u>	<u>Country</u>
1932	Italy	1991	Austria
1975	Algeria	1992	Turkey
1976	Russia	1993	Singapore
1978	Iran	1993	Australia
1981	Egypt	1994	Benelux
1986	UK	1994	Syria

1987	Germany	1994	Greece
1988	France	1995	South Korea
1989	USA	1996	Czech Rep
1989	China	1998	Morocco
1989	Switzerland	1999	Romania
1989	Hong Kong	1999	Kazakhstan
1990	Ireland	2001	Slovenia
1990	Spain	2005	Turkmenistan

29 The Applicants also referred to their approximate worldwide turnover as well as promotional expenditure (above).

The Applicants also referred to Exhibit FB-8 of the Applicants' 1<sup>st</sup> SD for copies of available invoices for the period 1996 to 2007 showing sale of the Applicants' Goods to various buyers in various countries. For the invoices starting from 2002 to 2005 the word BORRI does not appear on the invoices and the Applicants' evidence is that this is because of the corporate changes (above). However, the Applicants submitted that they have deposed that the products sold under these invoices were the same products sold before and after this period and they all have the Applicants' Marks on them (see paragraph 25 of the Applicants' 1<sup>st</sup> SD).

30 The Applicants also deposed that they have the domain name [www.borri.it](http://www.borri.it). The Applicants' evidence is that they have registered this domain name since 25 May 1998 (the Applicants' Counsel clarified that this is the date instead of 25 May 2008 as per their written submissions). The Applicants deposed that they have another domain name [www.borriups.it](http://www.borriups.it). This domain name was registered since 13 April 2006 (see Exhibit FB-10 of the Applicants' 1<sup>st</sup> SD for details of the registrations and excerpts of pages from the 2 websites).

31 The Applicants deposed that in Singapore, the Applicants have used the Applicants' Marks sometime from 1993. The Applicants emphasized that this is long before the establishment of the Registered Proprietors or the registration of the Registered Mark. The Applicants' approximate sales in Singapore of the Applicants' Goods bearing the Applicants' Marks (see paragraph 29 of the Applicants' 1<sup>st</sup> SD) are as follows:

<u>Year</u>	<u>Sales in Euros</u>	<u>In S\$ at then exchange rate</u>
1998	2,343,883	4,361,849

1999	2,404,293	4,709,505
2000	2,099,677	3,579,088
2001	595,710	977,638
2002	496,501	819,048
2003	930,164	1,690,014
2004	397,392	851,774
2005	148,491	324, 932
2006	119,841	238,360
2007	118,071	237,824

The Applicants further referred to Exhibit FB-11 of the Applicants' 1<sup>st</sup> SD and Exhibit FB-13 of the Applicants' 2<sup>nd</sup> SD for copies of available invoices evidencing sale of the Applicants' Goods in Singapore. The Applicants submitted the Applicants have deposed that these invoices are for the sale of the Applicants' Goods bearing the Applicants' Marks. In any event, the Applicants submitted that the Applicants' Marks appear on most of the exhibited invoices.

*The law in relation to bad faith*

32 The Applicants submitted that the material date for bad faith is the date of the application for registration. The test for bad faith is a combined test which contains a subjective element and an objective element. The subjective element is what the applicant knows at the time of filing and the objective element is what ordinary persons adopting proper standards would think of the applicant's conduct. Bad faith is context dependent. The Applicants referred to *Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd & another* [2009] 2SLR(R) 814 at [105] and [106].

33 The Applicants referred to *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR 1073 at [48] and [49] ("*Weir Warman*"):

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

*It appears to me to be an incontrovertible proposition that if a registrant of a trade mark has proprietorship of that trade mark, or at the very least the right to register that trade mark, then such registration of the trade mark should fall well within the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade. Conversely, where it can be shown that the applicant knew of an exclusive proprietary right of another in relation to the trade mark it seeks to furtively register, then any such registration would, almost invariably, quite clearly fall short of the relevant standards”*

[Applicants' emphasis in bold]

34 The Applicants submitted that it is also bad faith to "hijack" another's trade mark. The Applicants referred to *Law of Intellectual Property of Singapore (Sweet & Maxwell, Rev Ed, 2009)* by Ng – Loy Wee Loon at [21.4.12] ("**Ng – Loy Wee Loon**") where the following propositions from *Weir Warman* at [42] were relied in support:

- (1) *The applicant has no bona fide intention to use the trade mark at all, but wishes to prevent a competitor from using the, or a similar, mark;*
- (2) *The applicant has no present or fixed intention to use the mark but wishes to stockpile the mark for use at some indeterminate time in the future; and*
- (3) *The applicant becomes aware that someone else plans to use the mark, and files a pre-emptive application with a view to selling it.*

35 The Applicants also referred to *Festina Lotus SA v Romanson Co Ltd [2010] SGHC 200* where Justice Tay Yong Kwang analysed several bad faith cases and categorised at [104] the following as bad faith:

- (i) lack of a *bona fide* intention to use the registered mark;
- (ii) abuse of relationship; or
- (iii) knowledge that a third party had some sort of claim to the mark.

36 The Applicants also referred to *DALIC TM [1998] 2 SLR 231* at [12] and [31] for the principle that the first user of the trade mark has proprietorship of the mark.

37 The Applicants submitted that as can be seen from the evidence, the Registered Proprietors were established and are run by former employees of the Applicants. The Applicants submitted that the Registered Proprietors knew that the Applicants are the true and *bona fide* proprietors of the Applicants' Marks. It is the Applicants' case that the former employees set up the Registered Proprietors to compete with the Applicants and in the process "hijacked", misappropriated or usurped the Applicants' trade mark BORRI

and registered it in other countries before the Applicants, taking advantage of the fact that the Applicants had not registered the Applicants' Marks earlier in these countries. The Applicants submitted that the Registered Proprietors had no intention of using the Registered Mark and that they have not used it for some 4 years since registration. The Applicants submitted that the combined test for bad faith is satisfied and the Registered Proprietors were dishonest. By reason of the first use of the Applicants' Marks in Singapore, the Applicants are the true proprietors.

*Abandonment of use of mark*

38 The Applicants denied that there has been abandonment of the Applicants' Marks from 2002 [to 2005] as alleged by the Registered Proprietors. The Applicants submitted that even if there was abandonment as alleged, it still does not entitle the Registered Proprietors to usurp the Applicants' Marks and obtain registration of the Registered Mark. The Applicants submitted that it is clearly bad faith to take someone's mark and claim ownership. The Applicants submitted that the Applicants' Italian Registration is proof that the Applicants are the true and *bona fide* proprietor of the word BORRI as a trade mark.

39 The Applicants submitted that the statement in paragraph 9 of the Counter-Statement:

*We are established by former employees of the "Borri companies" and it is for this reason that we are aware that neither the Applicant[s] and / or [their] predecessors had used the "BORRI" trade mark previously, at least not in the recent years."*

is an admission that the Registered Proprietors are aware that the word BORRI as a trade mark belonging to the Applicants but that the Registered Proprietors are entitled to usurp the mark and register it in their name as the Applicants did not use it "***at least not in the recent years***". The Applicants submitted that as per the evidence tendered, the Applicants have used the mark both in Singapore and overseas. The Registered Proprietors' statement amounted to an admission of usurpation of the Applicants' Marks.

The Applicants also referred to paragraph 20 of the Registered Proprietors' SD:

*As stated in paragraphs 6, 7, and 8 above and elsewhere, the Applicant[s] had clearly stopped using its "BORRI" trade mark in 2002.*

The Applicants submitted that this statement is an admission of knowledge that the proprietor of the BORRI trade mark is the Applicants even though the Applicants have allegedly abandoned it in 2002 (which is contrary to the Applicants' evidence).

40 The Applicants submitted that it is inconceivable that a company (regardless of the corporate name changes) that has been using the Applicants' Marks since 1932 in one form or another would abandon them for a few years and then resume after establishing

so much goodwill and reputation in the marks. The Applicants further submitted that even if the use of the Applicants' Marks have been abandoned, which the Applicants deny, there will be residual goodwill and reputation in the marks. In support of their argument, the Applicants referred to Exhibits FB-8 and FB-11 in the Applicants' 1<sup>st</sup> SD respectively which include copies of invoices which the Applicants submitted show continuous use of the Applicants' Marks even during the period of alleged abandonment. The Applicants submitted that there was no abandonment. Further, it is the Applicants' case that there was use in Singapore of the Applicants' Marks before the incorporation of the Registered Proprietors and before the registration of the Registered Mark.

41 The Applicants submitted that the Applicants did not stop use of the Applicants' Marks at any time. At all times the marks were in use and there was no admission in paragraph 25 of the Applicants' 1<sup>st</sup> SD (as alleged by the Registered Proprietors) that the Applicants have stopped using the Applicants' Marks in 2002. The Applicants submitted that what was said in the said paragraph was that the word BORRI does not appear in the invoices of 2002 to 2005 but there is nothing to the effect that the Applicants have stopped using the Applicants' Marks during this period (see paragraph 11 of the Applicants' 2<sup>nd</sup> SD). The Applicants submitted that throughout the corporate name changes, the Applicants' Marks were in use and the evidence of the Applicants' bore this out.

The Applicants reiterated that evidence has been tendered (see paragraph 12 of the Applicants' 2<sup>nd</sup> SD) that the Applicants and the Applicants' predecessors have continuously used the Applicants' Marks at all times even when the company name was not BORRI and at no time was the use of the Applicants' Marks abandoned and resumed as alleged by the Registered Proprietors.

42 Further, the Applicants submitted that other than a bare denial, the Registered Proprietors have not seen it fit to challenge the Applicants' evidence by producing positive contrary evidence or even cross-examine the Applicants' deponent, Mr Beoni Fausto. The Applicants submitted that this tribunal has to believe what Mr Beoni Fausto said. The Applicants referred to the following in *Extreme Trade Mark* BL 0/161/07 which was cited with approval in the UK Invalidation Decision at [42]:

*“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings, which is not obviously incredible and the opposing party has neither given the witness advance notice that this evidence is to be challenged nor challenge his evidence in cross examination nor adduced evidence to contradict the witness’s evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness’s evidence.”*

43 The Applicants submitted that the Applicants have shown use of the Applicants' Marks before the registration of the Registered Mark and such is sufficient. The Applicants submitted that it is not necessary, and indeed impossible, to show use since 1932. The people behind the Registered Proprietors are all former employees of the

Applicants and they know that the Applicants' Marks belong to the Applicants and that the Applicants have been using the marks.

44 The Applicants have provided the history of the Applicants and the Applicants' predecessors at paragraphs 9 to 11 of the Applicants' 1<sup>st</sup> SD. The Applicants submitted that it is not necessary to assign the goodwill when a company only changes its name but continues to use the marks. Even though the name of the Applicants underwent a few changes, the goodwill always remained with the Applicants as a corporate entity. In any event, the Applicants have used the Applicants' Marks before incorporation of the Registered Proprietors or the registration of the Registered Mark both in Singapore and overseas and that is what matters.

*Use of own name*

45 The Registered Proprietors also argued that BORRI is the name of one of the founders of the Registered Proprietors, Mr Enrico Borri, a former employee and who was also dismissed by the Applicants. The Applicants submitted that it does not make sense to suggest that the Registered Proprietors registered the word BORRI as a trade mark as it is the name of Mr Enrico Borri. Mr Enrico Borri is not related to the family that founded the Applicants in 1932. The Applicants submitted that in any event, Mr Enrico Borri has not gone on oath to state this in a declaration. The Applicants further submitted that even if such were true, Mr Enrico Borri has no right to register his surname as a trade mark when the same has been registered in Italy and used in Singapore and elsewhere by the Applicants since 1932.

46 The Applicants submitted that the Registered Proprietors are not entitled to the "own name" defence as the Registered Proprietors are the company Bees S.r.l. and not Enrico Borri. The Applicants referred to the case of *Hotel Cipriani Srl and others v Cipriani (Grosvenor Street) Ltd and others* [2010] EWCA Civ 110 where it was held that the "own name" defence was available to a company provided it used its corporate or trading name and not some other name. Even then it must show that the corporate or trading name was adopted in accordance with honest practices. In the current case, BORRI is not part of the corporate name or trading name of the Registered Proprietors. The "own name" defence is thus not available to the Registered Proprietors.

47 The Registered Proprietors also argued that BORRI is a common surname. The Applicants denied that it is a common Italian surname. The Applicants referred to paragraph 7 and Exhibit FB-12 of the Applicants' 2<sup>nd</sup> SD. FB-12 which contains extracts from the Italian online telephone directory White Pages ([www.paginebianche.it](http://www.paginebianche.it)) which shows that the name BORRI appears in Rome 50 times, in Milan 31 times, in Naples 2 times, in Arrezzo 70 times and in Bibbiena 13 times. The Applicants submitted that in the whole of Italy there are less than 1200 entries for BORRI out of a population of over 60 million.

The Applicants submitted that even Exhibit 2 of the Registered Proprietors' SD shows that the number of listings in Italy do not make the name BORRI a common surname.

The Applicants submitted that in any event, BORRI is an unknown surname in Singapore and thus cannot be a common surname in Singapore. The Applicants further submitted that even if it is a common surname, the name has become, by long use by the Applicants, a distinctive trade mark of the Applicants.

48 The Applicants further submitted that the assertion that BORRI is a common surname (which is denied) or that it is the name of one of its founders does not in any way make the adoption of that word as a trade mark an act done in good faith. The Applicants submitted that it was still an act of bad faith, more so when the founders of the Registered Proprietors were all former employees of the Applicants and were at all times aware of the Applicants' continuous use of the Applicants' Marks right through the various changes in the corporate names. The Applicants reiterated that the Applicants have confirmed many times that at all times the marks used by the Applicants (and the Applicants' predecessors) were the Applicants' Marks on the Applicants' Goods.

49 The Applicants submitted that the Applicants have registrations of the mark in Italy, UK, USA, Australia and Hong Kong, amongst others. The Registered Proprietors, on the other hand, do not. The Applicants submitted that it is significant that the Registered Proprietors do not have a registration in Class 9 in Italy, the country of origin of both the Registered Proprietors and the Applicants. The Applicants' case is that if the Registered Proprietors are the genuine proprietors of the mark for Class 9 goods, then why did they not apply in Class 9 in Italy? In relation to the Registered Proprietors' Italian Registration, the Applicants submitted that they have applied to invalidate them and the matters are pending (see below). The Applicants are challenging through the Italian Court under proceedings number 17542/2007 the Italian registration 1015430 which formed the basis of IR 897298 in the name of the Registered Proprietors in Classes 37 and 42. The case is still pending in Italy [The Italian Court has since cancelled the Registered Proprietors' Italian Registration].

50 Further the Applicants submitted that if the Registered Proprietors are the true proprietor of the name or mark BORRI how come they have no domain name with that name and how come they have not challenged the domain name registrations of the Applicants? The Applicants submitted that they were not aware of the surreptitious applications of the Registered Proprietors to register the Registered Mark in other countries.

51 The Applicants submitted that as far as they are aware, the Registered Proprietors do not sell the goods claimed under the Registered Mark in Singapore. This can be seen from the fact that while the Registered Mark was registered in Class 9 in Singapore since 2006, no evidence of use has been provided via the Registered Proprietors' SD. The Applicants submitted that the Registered Proprietors' main business is to provide services. This explains the service mark registrations in Classes 37 and 42. The Applicants submitted that they believe that the main business of the Registered Proprietors is to service and maintain the Applicants' Goods. Due to the long life of the Applicants' Goods, servicing and maintenance contracts are lucrative and the Registered Proprietors by offering such services through the use of the Registered Mark, are taking

advantage of the fact that some of their employees were ex-employees of the Applicants. The Applicants submitted that the Registered Proprietors have knowingly been attempting to confuse the Applicants' clients as to the origin of the services in order to gain servicing and maintenance contracts (paragraph 6 of the Applicants' 2<sup>nd</sup> SD).

52 The Applicants submitted that the fact that the Registered Proprietors have made applications and obtained registrations in some countries do not detract from the fact that these were all obtained in bad faith and without the knowledge of the Applicants. The Applicants reiterated that the Registered Proprietors are located in Bibbiena (very close to the Applicants) and were established on 9 November 2005 by ex-employees of the Applicants (paragraph 15 of the Applicants' 1<sup>st</sup> SD).

53 The Applicants thus concluded that the application to register the Registered Mark was made in bad faith and on this ground alone the Registered Mark ought to be invalidated.

### ***Registered Proprietors' Submissions***

54 The Registered Proprietors submitted that "bad faith" was described by Lindsay J in *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 at page 379 as follows:

*Plainly it includes dishonesty... and includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area [of trade] being examined.*

The Registered Proprietors submitted that in Singapore, the Court of Appeal has stated in *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR 177 at [78]:

An allegation of bad faith is a serious matter and should not be lightly inferred. In "*Royal Enfield*" Trade Marks [2002] RPC 24 it was held (at [31]) that:

An allegation that a trade mark has been applied for in bad faith is a serious allegation. ... A plea of fraud should not lightly be made ... and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts (see *Davy v Garrett* (1877-78) L.R. 7 Ch.D. 473 at 489). In my judgment precisely the same considerations apply to an allegation of ... bad faith made under section 3(6). *It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.* [emphasis added]

Further in *Richemont International SA v Goldlion Enterprise (Singapore) Pte Ltd* [2006] 1 SLR(R) ("*Richemont* ") at page 402 the Singapore High Court made a similar finding:

*An allegation that an application to register a mark had not been made in good faith should not be made unless it could be fully and properly pleaded and should not be upheld unless it was distinctly proved and this would rarely be possible by a process of inference.*

55 The Registered Proprietors submitted that the Applicants have simply inferred that there was bad faith on the part of the Registered Proprietors by the mere fact that they were established by persons who were formerly employed by the Applicants. The Registered Proprietors submitted that this fact alone, does not automatically mean that the Registered Proprietors filed the Registered Mark in bad faith.

56 The Registered Proprietors submitted that the application to register the Registered Mark was filed on 28 April 2006. As per the Registered Proprietors' SD, the Registered Proprietors submitted that they believed honestly that the Applicants (or the Applicants' predecessors) had no intention to use the mark BORRI after they went through a series of changes in name and corporate acquisitions over the period from 2002 to 2005. The Registered Proprietors submitted that the Applicants changed their name from Borri S.r.l. to Invensys Power and subsequently to Powerware and Eaton Power. The Registered Proprietors submitted that the Applicants (or the Applicants' predecessors) used various trade marks such as POWERWARE, INVENSYS and EATON from 2002 to 2005. The Registered Proprietors submitted that this shows that the Applicants (or the Applicants' predecessors) were not interested in maintaining their rights, if any at all, in the trade mark BORRI and / or the Applicants had abandoned the goodwill, if any, in the trade mark BORRI.

57 The Registered Proprietors further submitted that the Registered Proprietors' choice of the trade mark BORRI was not entirely without merit. The Registered Proprietors submitted that BORRI is a common surname in Italy and that one of the Registered Proprietors' directors is surnamed BORRI.

The Registered Proprietors referred to the *Richemont* case above. In that case, registration and use of "Jean Mercier" was found to be not in bad faith, even though there "Baume & Mercier" was an established name and had extensive goodwill in the relevant business in Singapore. The Registered Proprietors submitted that in this case, the BORRI trade mark had no goodwill in Singapore as at 28 April 2006.

#### ***Decision on Section 7(6)***

58 The test for bad faith is as follows:

*The test for bad faith is a combined test which contains a subjective element and an objective element. The subjective element is what the applicant knows at the time of filing and the objective element is what ordinary persons adopting proper standards would think of the applicant's conduct. Bad faith is context dependent and the material date for bad faith is the date of the application for registration.*

59 For completeness, I include an outline of the relevant recent case law in relation to the test of bad faith.

At the outset, it is important to note that bad faith is a distinct and independent argument from the issue of confusing similarity. In the recent decision of **Valentino Globe BV v Pacific Rim Industries Inc** [2010] SGCA 14 (“**Valentino**”) the Court of Appeal stated, at [20]:

*Once bad faith is established, the application for registration of a mark must be refused even though the mark would not cause any confusion: see Rothmans of Pall Mall Ltd v Maycolson International Ltd [2006] 2 SLR(R) 551 (“Rothmans”) at [29] and Tan Tee Jim SC, Law of Trade Marks and Passing Off in Singapore (Sweet & Maxwell Asia, 2nd Ed, 2005) at para 5.71.*

[Emphasis mine.]

60 As to the test for the determination of bad faith, **Valentino**, at [25] to [27] stated:

25 *Numerous English and local cases have addressed the concept of “bad faith” under s 7(6). We will begin with the leading case of Gromax Plastics Ltd v Don & Low Nonwovens Ltd [1999] RPC 367 (“Gromax Plastics”), which dealt with the Trade Marks Act 1994 (c 26) (UK) and specifically s 3(6) thereof (which is the English equivalent of s 7(6)). In Gromax Plastics, Lindsay J observed at 379 that:*

*Plainly [bad faith] includes dishonesty and, as I would hold, [it] includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area [of trade] being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short in order to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.*

26 *The above passage of Lindley J was referred to and accepted in the decision by Geoffrey Hobbs QC in Demon Ale Trade Mark [2000] RPC 345, where the latter stated that (at 356):*

*... the expression “bad faith” has moral overtones which appear to make it possible for an application for registration to be rendered invalid under section 3(6) by behaviour which otherwise involves no breach of any duty, obligation, prohibition or requirement that is legally binding upon the applicant. [emphasis added]*

27 *In the later case of Harrison v Teton Valley Trading Co Ltd [2004] 1 WLR 2577, a decision of the English Court of Appeal, Sir William Aldous said (at [24] and [26]):*

*24 Clearly the court, when considering bad faith, cannot apply a purely subjective test, called by Lord Hutton “the Robin Hood test”. The dishonest person or one with low standards cannot be permitted to obtain trade mark registrations in circumstances where a person abiding by a reasonable standard would not. The registration of a trade mark is designed to enable bona fide proprietors to protect their proprietary rights without having to prove unfair trading. Registration is not provided to help those with low moral standards....*

*26 For my part, I would accept the reasoning of Lord Hutton as applying to considerations of bad faith. The words “bad faith” suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as in bad faith by persons adopting proper standards.*

[Emphasis mine]

61 In relation to the local case law, the Court in **Valentino** said at [28] and [29]:

*28 Turning to the local case law, in Rothmans, our High Court endorsed Lindsay J’s observations of the concept of bad faith in Gromax Plasticulture. Further, both Lindsay J’s and Geoffrey Hobbs QC’s approaches were again adopted by another High Court judge in Weir Warman Ltd v Research & Development Pty Ltd [2007] 2 SLR(R) 1073 (“Warman”) where the judge stated at [48] that:*

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

*29 In Wing Joo Loong, this court observed at [105] that “[t]he test for determining the presence of bad faith, in the context of the English Trade Marks Act, was settled by the English Court of Appeal” [emphasis in original]. It would be useful to set out in full the observations of this court at [105]–[106] which are as follows:*

105 The *test* for determining the presence of bad faith, in the context of the English Trade Marks Act, was settled by the English Court of Appeal in *Harrison v Teton Valley Trading Co Ltd* [2004] 1WLR 2577, where Sir William Aldous, with whom Arden and Pill LJ agreed, expressed the test as follows (at [26]):

*The words ‘bad faith’ suggest a mental state. Clearly when considering the question of whether an application to register is made in bad faith all the circumstances will be relevant. However the court must decide whether the knowledge of the applicant was such that his decision to apply for registration would be regarded as [being] in bad faith by persons adopting proper standards.*

*This test, which was referred to by Sir Aldous (id at [25]) as the “combined” test of bad faith, contains both a subjective element (viz, what the particular applicant knows) and an objective element (viz, what ordinary persons adopting proper standards would think).*

106 Recently, this combined test of bad faith was succinctly explained in *Ajit Weekly Trade Mark* [2006] RPC 25 as follows (at [35] and [41]):

35 ... *Bad faith is to be judged according to the combined test of dishonesty for accessory liability [for] breach of trust set out by the majority of the House of Lords in *Twinsectra Ltd v Yardley* [2002] 2 A.C. 164, with *Gromax Plasticulture* [(103) supra] ... providing the appropriate standard namely, acceptable commercial behaviour observed by reasonable and experienced persons in the particular commercial area being examined....*

41 ... *[T]he upshot of the Privy [Council’s] decision in *Barlow Clowes International Ltd v Eurotrust International Ltd* [2006] 1 WLR 1476 is: (a) to confirm the House of Lords’ test for dishonesty applied in *Twinsectra*, i.e. the combined test; and (b) to resolve any ambiguity in the majority of their Lordships’ statement of that test by making it clear that an enquiry into a defendant’s views as regards normal standards of honesty is not part of the test. The subjective element of the test means that the tribunal must ascertain what the defendant knew about the transaction or other matters in question. It must then be decided whether in the light of that knowledge, the*

*defendant's conduct is dishonest judged by ordinary standards of honest people, the defendant's own standards of honesty being **irrelevant** to the objective element...*

*This court in Wing Joo Loong then applied at [107]–[117] the combined test of bad faith which, to reiterate, contains both a subjective element (viz, what the particular applicant knows) and an objective element (viz, what ordinary persons adopting proper standards would think). It is therefore apparent to us that bad faith as a concept is context-dependent. In the final analysis, whether bad faith exists or not hinges on the specific factual matrix of each case.*

[Emphasis in bold as underlined mine.]

62 Applying the test to the facts of this case, there is a need to ascertain what the Registered Proprietors know at the time of filing the application for the Registered Mark and there is also a need to ascertain what ordinary persons adopting proper standards would think of the Registered Proprietors' conduct, the Registered Proprietors' own standards of honesty being irrelevant in this regard. The relevant date at which to assess the above is 28 April 2006 which is the date of the filing of the application for the Registered Mark.

As bad faith is very much context dependent, there is a need to take a good look at the evidence tendered.

63 The Applicants' Marks and the Registered Mark are reproduced side by side for ease of reference below. Similarly, the goods for the said marks are also reproduced side by side again for ease of reference only. The Applicants' Italian Registration is for the mark BORRI for goods in Class 9 and protection was granted as of 25 July 2003. The mark BORRI for the relevant goods can be said to be rather distinctive. While I am mindful that the action for bad faith is independent of the issue of confusing similarity, it is curious that not only are the marks and the goods similar, the Registered Proprietors were set up by some ex-employees of the Applicants.

64 The Registered Proprietors did not provide much background as to their history except the fact that they were founded in November 2005. Thus I will refer to the Applicants' evidence instead. I refer to paragraph 15 of the Applicants' 1<sup>st</sup> SD. It was deposed by the Applicants that the President of the Registered Proprietors is Luciano Brocchi and that one of the directors of the Registered Proprietors is Luca Mori, both of whom were ex-employees of the Applicants. I refer to Exhibit FB-5 of the Applicants' 1<sup>st</sup> SD which contains business information in relation to the Registered Proprietors. At page 60 of the Applicants' 1<sup>st</sup> SD, it is stated that the "Chamber of Commerce registration date" for the Registered Proprietors is 17 November 2005 and that the activity commencement date is 12 December 2005. It is also noted that the activities of the Registered Proprietors are described as "*Manufacture, installation, repair and maintenance of other electric apparatus n.c.a. including parts and accessories*". At page

61 of the Applicants' 1<sup>st</sup> SD, it provides that Luciano Brocchi was appointed as president of the board of directors on 25 July 2005. At page 64 of the Applicants' SD, it is stated that Luca Mori was appointed as a director of the Registered Proprietors on 25 July 2005.

65 I also refer to paragraph 16 of the Applicants' SD. The Applicants deposed that both Brocchi and Mori were dismissed from the employment of the Applicants in 2005 along with others, notably, one Enrico Borri. The Applicants deposed that this Enrico Borri has no relation at all to the founder of the Applicants, Mr Ernesto Borri. I refer to Exhibit FB-6 of the Applicants' 1<sup>st</sup> SD which consists of a report filed by the Applicants to the Department of Labour of the District of Bibbiena. At page 67 of the Applicants' 1<sup>st</sup> SD, it provides that the termination of the working relationship of the Applicants with Luciano Brocchi occurred on 25 October 2005 and that the reason for the termination is "reduction of personnel/labour market mobility". Similarly at page 71 of the Applicants' 1<sup>st</sup> SD, it is stated that the termination of the working relationship of the Applicants with Luca Mori also took place on 25 October 2005 and that the reason for the dismissal is also "reduction of personnel/labour market mobility". The Applicants further deposed that during their employment with the Applicants, Luciano Brocchi worked in the products department and Mori was the business manager for overseas market.

The Applicants pointed out that it is significant to note that the Registered Proprietors were registered just 2 weeks after the termination (17 November 2005 – see above).

66 In relation to the current case, paragraph [49] in the case of *Warman* is pertinent:

*49 In the present case, it is common ground that the key issue in the determination of bad faith pivots around the fulcrum of proprietorship of the "Warman" mark in Singapore. It appears to me to be an incontrovertible proposition that if a registrant of a trade mark has proprietorship of that trade mark, or at the very least, the right to register that trade mark, then such registration of the trade mark should fall well within the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade. Conversely, where it can be shown that the applicant knew of an exclusive proprietary right of another in relation to the trade mark it seeks to furtively register, then any such registration would, almost invariably, quite clearly fall short of the relevant standards. As such, it is important to first examine and determine the issue of proprietorship.*

67 The next issue would be what constitutes a proprietary right in relation to a trade mark? In relation to this I refer to [76] and [77] of again the *Warman* case:

*The proposition that the first user of the mark in Singapore is the trueowner of the mark is acknowledged in Sifco Industries Inc v Dalic SA [1997] 3 SLR(R) 930. In that case, Lim Teong Qwee JC held at [12]:*

*[I]n the case of a used trade mark the proprietor is the person who first used it in relation to goods or services for the purpose stated in the definition of 'trade mark' under the Act.*

*He endorsed Morritt LJ's statement in the English case of Al Bassam Trade Mark [1995] RPC 511, 525 (supra at [30]):*

*The statutory right to registration is given to he who is the proprietor. Proprietorship depends on use in the case of a used mark and the right to the unregistered mark cannot be assigned separately from the associated goodwill...*

*This correctly states the position at common law. However, the common law position on the proprietorship of a trade mark is merely the default position that applies in the absence of any contractual agreements between parties assigning or stipulating for the right to register a trade mark.*

[Emphasis mine.]

68 In the current case, the default position applies as there is no agreement stipulating otherwise. The position at common law is that the first user of the mark in Singapore is the true owner of the mark. I refer to Paragraph 22 of the Applicants' SD. It provides that the Applicants' Marks were used in Singapore since 1993. I also refer to FB-9 which includes a list of foreign customers of the Applicants together with the first invoice date. I refer in particular to page 273 of the Applicants' 1<sup>st</sup> SD. The 6<sup>th</sup> entry counting from the bottom of the list reflects that Eaton Power Quality Pte Ltd received an invoice dated 8 January 1998.

69 I also refer to paragraph 29 of the Applicants' 1<sup>st</sup> SD which provides the Applicants' approximate sales in Singapore for the years 1998 to 2007:

<u>Year</u>	<u>Sales in Euros</u>	<u>In S\$ at then exchange rate</u>
1998	2,343,883	4,361,849
1999	2,404,293	4,709,505
2000	2,099,677	3,579,088
2001	595,710	977,638
2002	496,501	819,048
2003	930,164	1,690,014
2004	397,392	851,774
2005	148,491	324, 932

2006	119,841	238,360
2007	118,071	237,824

It is clear from the above that the Applicants' Goods have been in the Singapore market since 1998.

I also refer to FB-13 which consists of invoices issued to the Applicants' Singapore customers. It is clear that there were invoices issued in the year 2002. In fact, FB-13 contains invoices issued to the Applicants' Singapore customers for the years 2002 to 2005 (particulars below).

70 It is to be recalled that the Registered Proprietors were established in late 2005. Following from the above, it can be concluded that the Applicants' Marks, were in use in Singapore long before the establishment of the Registered Proprietors and that the Applicants' Marks were in use before the date of application for the registration of the Registered Mark, namely 28 April 2006.

71 At this juncture, it is appropriate to address the Registered Proprietors' submissions that the Applicants had abandoned the Applicants' Marks during the period 2002 to 2005. The Registered Proprietors submitted that they honestly believed that the Applicants had no intention to use the BORRI mark after a series of name change and corporate acquisitions during the period 2002 to 2005. This argument does not fly. Firstly, as mentioned above, the test of bad faith does not require an inquiry into the Registered Proprietors' own standards of honesty (above). Secondly, even if such a belief can be taken into account, the basis upon which the Registered Proprietors harbour their belief does not hold out in light of the evidence as can be seen above (in relation to Singapore). In fact the general evidence in relation to use of the Applicants Marks worldwide (including Singapore) only serves to demonstrate the strength of the Applicants' arguments that there has been no abandonment of the Applicants' Marks during the period 2002 to 2005.

#### *Corporate changes to the Applicants*

72 The Applicants deposed that the Applicants in its present form and name were established in 1990 but the business activity was carried on through the Applicants' predecessors and this started in 1932. It is the Applicants' evidence that the Applicants' predecessors have been manufacturing the Applicants' Goods and using the Applicants' Marks (as and when the marks were developed) since 1932 or for some 75 years. The word "Borri" is the surname of the founder of the first Borri company, Mr Ernesto Borri.

73 The first of the Borri companies established by Mr Ernesto Borri was Borri S.p.A in 1932. Borri S.p.A was converted into and incorporated as Borri S.r.l in 1990. I refer to Exhibit FB-1 of the Applicants' 1<sup>st</sup> SD. It contains a print out from the Arezzo Chamber of Commerce. At page 25 of the Applicants' 1<sup>st</sup> SD, it is provided that Borri S.p.A was incorporated via a Deed dated 2 May 1932. The printout also provides that

there was a merger by means of incorporation to Borri S.r.l. At page 26 of the Applicants' 1<sup>st</sup> SD, it is provided that the Borri S.p.A discontinued on 17 December 1990 with a declaration of 25 January 1991 by reason of "merger by means of incorporation in another company" and that it was taken over by Borri S.r.l.

The Applicants further deposed that Borri S.r.l was acquired by GSC in 1990 and became a subsidiary of GSC which in turn was acquired in 1999 by Invensys and Borri S.r.l became a subsidiary of Invensys.

74 The Applicants further deposed that in 2002, another Italian company Lambda Electronics S.r.l was merged into Borri S.r.l and the merged company was called Invensys Power. In 2003, Invensys Power changed its name to Powerware. In 2004 Powerware was acquired by the Eaton Group and the name was changed to Eaton Power. In 2005 Eaton Power was acquired by Energy Enterprises S.r.l and the name was changed back to Borri S.p.A. I refer to Exhibit FB-1 of the Applicants' 1<sup>st</sup> SD. Page 31 of the Applicants' 1<sup>st</sup> SD contains a copy of a notary certification. It provides that via a Deed dated 18 February 2002, Borri S.r.l merged with Lambda Electronics S.r.l by incorporation of the latter into the former. It is also provided that with effect from the same day when the merger came into force, the surviving company Borri S.r.l assumed the name trade name Invensys Power. Invensys Power then via an extraordinary meeting resolution dated 30 December 2003 changed its trade name to Powerware. Subsequently, Powerware via a Deed dated 23 September 2004, changed its trade name to Eaton Power.

75 The Applicants' evidence is that the BORRI word mark was first used by the Applicants' predecessors in 1932 on its inception in Italy. In 1980, they commenced use of the BORRI logo and in 1990 they commenced use of the BORRI logo and device, all in relation to the Applicants' Goods.

The Applicants submitted that throughout the various name changes the corporate entity remained the same and the Applicants' Marks were continuously used on the Applicants' Goods.

#### *Use of the Marks for the period 2002 to 2005*

76 In order to determine whether the Applicants' Marks have been used during the period 2002 – 2005, I refer to (i) Exhibit FB-7 which consists of the Applicants' (and the Applicants' predecessors') brochures and catalogues throughout the years; and (ii) Exhibit FB-8 and FB-13 which contain invoices issued by the Applicants (and the Applicants' predecessors), to their customers throughout the years.

77 In relation to the contents of FB-7, I refer to paragraph 21 of the Applicants' 1<sup>st</sup> SD:

- (i) The 1<sup>st</sup> item consists of a brochure entitled "*Technical Specification and Operational Description of UPS E2001*" (page 75 of the Applicants' 1<sup>st</sup> SD). This

was issued in 1997 (see the bottom of the cover page of this brochure – again page 75 of the Applicants' 1<sup>st</sup> SD) and thus does not assist us in this regard.

- (ii) The 2<sup>nd</sup> item consists of a brochure in relation to the products series "E2001" (page 91 of the Applicants' 1<sup>st</sup> SD). It is noted that in paragraph 21 it is provided that the brochure was issued during the period 1999 to 2000. However I refer to page 92 of the Applicants' 1<sup>st</sup> SD and at the bottom left hand corner there is a logo which states "Invensys Power Systems". This logo also appears on page 94, 96 and 98 and 99 respectively. Since Invensys Power was in existence during the period 2002 to 2003, I conclude that the brochure was produced during the period 2002 to 2003 instead. Further I note that on those pages mentioned above ie pages 92, 94, 96, 98 and 99, at the bottom right hand corner, there is the BORRI logo and device.
- (iii) The 3<sup>rd</sup> item is a UPS brochure. It is provided in paragraph 21 of the Applicants' SD that the brochure was produced in 2000. If so, it does not assist us in this regard.
- (iv) The 4<sup>th</sup> item is a product catalogue and both in paragraph 21 and on the catalogue itself, it is indicated that the catalogue was produced in the year 2001 (see page 113 of the Applicants' 1<sup>st</sup> SD). In this regard this does not assist us. However, this document does show that just because the Applicants are using other marks, it does not necessarily mean that they are not using the Applicants' Marks. In this regard I refer again to page 113 of the Applicants' SD. This consists of the cover page of the catalogue. It is clear from this page that that there are 3 marks in use then, namely (i) the Borri logo and device; (ii) Powerware; and (iii) Lambda.
- (v) Item 5 again consists of a brochure. In paragraph 21, it is indicated that the brochure was in use during the period 2002 to 2003. This is also borne out on the brochure itself. I refer to Page 117 of the Applicants' 1<sup>st</sup> SD. At the bottom left hand corner, it is indicated that the brochure was published during the period 2002 to 2003. This fact is also corroborated by the fact that there is an Invensys Power Systems logo on the cover page of the brochure (page 116 of the Applicants' 1<sup>st</sup> SD). It is to be recalled that Invensys Power came into being during the period 2002 to 2003 (above). Importantly, the BORRI logo and device appears at the bottom right hand corner of the cover page of this brochure (again page 116 of the Applicants' 1<sup>st</sup> SD). BORRI also appears at page 118, 119 and 122 of the Applicants' 1<sup>st</sup> SD.
- (vi) The 6<sup>th</sup> item consists of a brochure and as per paragraph 21 it was produced during the period 2004 to 2005. Page 123 of the Applicants' 1<sup>st</sup> SD shows the disk which contains the brochure. At the bottom of the disk, it reads "04-2005". It is also noted that in 2004 (above) Powerware was acquired by the Eaton Group and the name was changed to Eaton Power. I refer to the cover page of the brochure (page 124 of the Applicants' 1<sup>st</sup> SD). At the top of the page, there is the BORRI device and logo. At the bottom of the page, there is a reference to "EATON".

Similarly, page 135 of the Applicants' 1<sup>st</sup> SD shows the last page of the said brochure. Again, there is the BORRI logo and device as well as a reference to "EATON". At the lower right hand corner of this page, it reads "Borri is a registered trade mark of EATON Power Quality Corporation.

- (vii) The last item is a reference list. However, as it is dated 4 October 2006, it does not assist us in this regard.

78 In relation to the invoices, I refer to FB-8 and FB-13. FB-8 contains invoices issued to the Applicants' overseas clients (including Singapore). On the other hand, FB-13 contains invoices issued to the Applicants' Singapore customers.

I refer to FB-8.

In particular, I refer to pages 214 to 248 of the Applicants' 1<sup>st</sup> SD. These invoices were issued to the Applicants' overseas clients during the period 2002 to 2005. I refer to pages 214 and 215 of the Applicants' 1<sup>st</sup> SD. They consist of invoices dated 10 January 2002 and 16 January 2002 respectively. At the top left hand corner, the BORRI device and logo is apparent. Further I note that there is also a watermark of the same BORRI device and logo which although faint, can be made out. The same can be said for the invoices at pages 216 and 218. Therefore in the year 2002, there is some use of the BORRI device and logo.

I refer to FB-13.

Pages 108 to 222 of the Applicants' 2<sup>nd</sup> SD consists of invoices issued in the year 2003. I refer in particular to pages 157, 161, 168, 185, 189, 193 and 195. Although faint, it can be made out there are watermarks on the invoices bearing the BORRI logo and device. It is also noted on all of the said invoices, "Invensys" appears on the top left hand corner. Thus this also shows that while the Applicants were known as Invensys Power, the BORRI logo and device was still being used. In addition, reference is also made to pages 157, 161 and 168. It can be seen that the Applicants used 3 marks during this period, namely, the BORRI logo and device, LAMDA and POWERWARE.

Page 237 of the Applicants' 2<sup>nd</sup> SD contains an invoice dated 26 February 2004 when the Applicants were known as Powerware. It is noted that there is a watermark BORRI on the invoice. The same can be said pages 238 to 292 of the Applicants' 2<sup>nd</sup> SD. These invoices were issued in the year 2004. Thus it can be said that for the year 2004, the BORRI logo and device was used. Next I refer to page 339 of the Applicants' 2<sup>nd</sup> SD. This page contains an invoice dated 24 October 2005. It can be seen that the BORRI logo is at the top left hand corner of this invoice. The same can be said for the invoices from pages 340 to 349. Therefore it can be concluded from the above that the BORRI logo was in use in the year 2005.

79 From the above it can be concluded that:

- (i) The Applicants' Marks were used during the years 2002 to 2003.

This can be seen from item 2 of FB-7 which is brochure in relation to the products series "E2001". The BORRI logo and device was utilised on this brochure. In addition, it can be also seen from the invoices in FB-8, in particular at pages 214 and 215. They consist of invoices dated 10 January 2002 and 16 January 2002 respectively. At the top left hand corner, the BORRI device and logo is apparent. Further I note that there is also a watermark of the same BORRI device and logo which although faint, can be made out. The same can be said for the invoices at pages 216 to 218. The same conclusion can be drawn from item 5 of FB-7. In relation to the year 2003, reference is made to the invoices included in FB-13, in particular to the specific invoices referred to above. It is clear that the BORRI logo and device was in use in the year 2003.

- (ii) The Applicants' Marks were also in use during the period 2004 – 2005.

This can be seen from the 6<sup>th</sup> item of FB-7 which consists of a product catalogue. I refer to the cover page of the brochure at page 124 of the Applicants' 1<sup>st</sup> SD. At the top of the page, there is the BORRI device and logo. Similarly, page 135 of the Applicants' SD shows the last page of the said brochure. Again, there is the BORRI device and logo. At the lower right hand corner of this page, it reads "Borri is a registered trade mark of EATON Power Quality Corporation

Further I also refer to pages 237 of the Applicants' 2<sup>nd</sup> SD which consists of an invoice dated 26 February 2004 when the Applicants were known as Powerware. It is noted that there is a watermark BORRI logo and device on the invoice. The same can be said pages 238 to 292. These invoices were issued throughout the year 2004. Thus it can be said that for the year 2004, the BORRI logo and device was used.

I also refer to pages 339 of the Applicants' 2<sup>nd</sup> SD. This page contains an invoice dated 24 October 2005. It can be seen that the BORRI logo is at the top left hand corner of this invoice. The same can be said for the invoices from pages 340 to 349. Therefore it can be concluded from the above that the BORRI logo is used in the year 2005.

80 I also refer to item 5 of FB-7 which is a copy of the Applicants' brochure issued in 2002 - 2003. In particular I refer to page 122 of the Applicants' 1<sup>st</sup> SD. At the lower half of this brochure, there are write ups in relation to the Applicants' products. These products are described as *Borri 1000I*, *Borri S4000*, *Borri 5000* and *Borri 3100*. I also refer to item 6 of FB-7 which consists of a product catalogue issued in 2004 - 2005. Again, at page 133 of the Applicants' 1<sup>st</sup> SD there are descriptions of the Applicants products namely *Borri 1000 10-25kVA*, *Borri 4000 10-250kVA* and *Borri 7000 10-40kVA*.

In view of the above, taking all of the above into consideration, I think it can be fairly concluded that there was use of the Applicants' Marks during the period 2002 to 2005. The above evidence also goes to show that the Applicants' Marks were used despite the Applicants having gone through several changes and that the Applicants' Marks were used even though there are also other marks in use as well.

81 Thus, the Applicants are the first user of the mark BORRI (and its variants) in Singapore. Can it then be said that the Registered Proprietors knew of the proprietary right of the Applicants in relation to the mark BORRI (in its word form) in Singapore?

82 It is mentioned above that during their stint with the Applicants, Brocchi worked in the products department and Mori was the business manager for overseas market. I find it hard to believe that Brocchi, as an employee in the products department, would not come across product catalogues / brochures. Similarly, I also find it hard to believe that Mori, as a business manager of the Applicants' overseas market, would not have come across invoices issued bearing the Applicants' Marks issued to the Applicants' overseas clients or products brochures.

Thus I find it hard to conclude that Brocchi and Mori and thus the Registered Proprietors are not aware of the Applicants' use of the Applicants' Marks in Singapore. .

83 In light of the above, I find that as at the relevant date of 28 April 2006, the Registered Proprietors must have known that the Applicants are the first user of the mark BORRI (and its variants) in Singapore and thus the proprietary right in relation to the mark BORRI (in its word form) in Singapore vests with the Applicants. This is the subjective knowledge of the Registered Proprietors.

84 I will now apply the objective test to this subjective knowledge.

As mentioned above, the case of *Warman* (above) is pertinent to the current case. If a party knows of an exclusive proprietary right of another in relation to a trade mark yet it still seeks to furtively register such a mark, such a registration would, almost invariably, quite clearly fall short of the relevant standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade. In the current case, the Registered Proprietors must have known of the exclusive proprietary right of the Applicants in relation to the Applicants' Marks in Singapore, yet they still sought to register the Registered Mark which is identical / similar to the Applicants' Marks. Such an action fell short of the relevant standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade. Thus the objective element under the test of bad faith has been made out.

85 In view of the above, I am of the view that the objection of bad faith has been made out.

I am mindful of the warning in *Royal Enfield Trade Marks* [2002] RPC 508, that an allegation of bad faith should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference (as per the Registered Proprietors' submissions). However, I am convinced that in the present instance, a strong inference of bad faith has been made out.

86 I will now address the Registered Proprietors' submissions in relation to their choice of the word BORRI as their Registered Mark. The Registered Proprietors put forth two reasons for their choice of BORRI as the Registered Mark.

Firstly, the Registered Proprietors submitted that BORRI is a very common surname in Italy. In support of this contention they tendered as evidence extracts of the principal Italian directories via Exhibit 2 of the Registered Proprietors' SD. I agree with the Applicants that this evidence does not show that BORRI is a common surname in Italy. Based on my count, (on the number of entries highlighted by the Registered Proprietors) there are only about 100 entries. I refer to paragraph 7 of the Applicants' 2<sup>nd</sup> SD which consists of extracts from the Italian online telephone directory White pages. Again, there appears to be 166 entries (50 in Rome, 31 in Milan, 2 in Naples, 70 in Arrezzo and 13 in Bibbiena). Even with extrapolation, based on the above, it can hardly be said that BORRI can be considered to be a common surname in Italy.

Secondly, the Registered Proprietors submitted that Borri is the surname of their founders, namely Mr Enrico Borri. However, as pointed out by the Applicants, it is curious that Enrico Borri is not recorded as an office holder in the record pertaining to the Registered Proprietors. I refer to FB-5 which includes business information pertaining to the Registered Proprietors. I refer to pages 61 and 64 of the Applicants' 1<sup>st</sup> SD. Only Luciano Brocchi and Luca Mori are reflected as President and Director respectively. It would be useful if there is evidence tendered as to, for example, the selection process to choose BORRI. However, except for the deponent's statement that BORRI was chosen as it was the surname of one of the founders of the Registered Proprietors, there is no other documentation in this regard.

87 Before I leave the ground of bad faith, I make 2 observations:

- (i) The Applicants have tendered much evidence to bolster their case. Curiously, the Registered Proprietors have not tendered much evidence in this regard. The Registered Proprietors' SD contains bare denials that the Applicants had no intention to use the BORRI trade mark and had stopped using the mark in 2002 and that Applicants had used various other trade marks during the period 2002 to 2005. In the face of evidence tendered by the Applicants which shows otherwise, the Registered Proprietors had not and did not tender any other evidence to refute the same nor requested that Mr Beoni, the Applicants' deponent, be cross-examined.

- (ii) It is noted that both the UK Registry have found for the Applicants in a similar case. The Applicants similarly brought an action in the United Kingdom against the Registered Proprietors in relation to a similar mark with respect to a similar class with objections based on equivalent provisions under the UK legislation. The UK Registry found that bad faith has been established.

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

88 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***

89 The Applicants submitted that the test for passing off is well established and cannot be in dispute. The trinity of elements that the Applicants have to prove are:

- (i) Goodwill attached to the Applicants' business in the goods bearing the BORRI trade marks, such that the marks are recognised as distinctive of the Applicants and their goods;
- (ii) misrepresentation by the [Registered Proprietors] to the public (intentional or not) leading or likely to lead the public to believe that the [Registered Proprietors'] goods are those of the Applicants or are connected or associated with them;
- (iii) damage or the likelihood of damage to the Applicants' goodwill as a result of the misrepresentation.

The Applicants submitted that the above requirements as stated in *Reckitt & Coleman Products Ltd vs Borden Inc [1990] WLR 341* are trite and have been well accepted in Singapore. The Applicants also referred to the case of *Novelty Pte Ltd v Amanresorts Ltd & Anor [2009] SGCA 13 ("Amanresorts")* at [36] and [37].

90 The Applicants submitted that they have used the Applicants' Marks in Singapore as shown in the evidence. The Applicants further submitted that as borne out by the sales figures given at paragraph 29 and Exhibit FB-11 respectively of the Applicants' 1<sup>st</sup> SD and Exhibit FB-13 of the Applicants' 2<sup>nd</sup> SD, there is use in Singapore of the Applicants' Marks and this use gives the Applicants goodwill in the business relating to the sale of the Applicants' Goods in Singapore.

91 In relation to misrepresentation, the Applicants submitted that the Registered Mark is identical and is registered for identical or similar goods. The use of the Registered Mark in Singapore would amount to a misrepresentation that the goods under the Registered Marks by the Registered Proprietors, their agents, or retailers are that of the Applicants or are connected to or associated with them.

92 The Applicants submitted that such misrepresentation would result in damage or there is likelihood of damage to the Applicants. This amounts to passing off and the registration of the Registered Mark is liable to be prevented by Singapore law under Section 8(7)(a) of the TMA.

#### ***Registered Proprietors' Submissions***

93 The Registered Proprietors submitted that in relation to the claim under passing off, the Applicants have to prove the following requisite elements as cited with approval by the Singapore High Court in *Johnson & Johnson v Uni-Charm Kabishiki Kaisha (Uni-Charm Corp) [2007] 1 SLR 1082*:

- (i) That the Applicants' goods or services have acquired a goodwill or reputation in the market and are known by some distinguishing feature;
- (ii) That there is a misrepresentation by the Registered Proprietors (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by the Registered Proprietors are goods or services of the Applicants; and
- (iii) That the Applicants have suffered or is likely to suffer damage as a result of the erroneous belief engendered by the Registered Proprietors' misrepresentation.

94 In relation to the ground under (i) above, the Registered Proprietors submitted that the Applicants have no goodwill on which they could rely in Singapore as the Applicants have abandoned their goodwill and rights, if any, in the Applicants' Marks by

using a series of different trade marks and names when they underwent several corporate changes during the period from 2002 to 2005.

***Decision on Section 8(7)(a)***

95 First of all, it is noted as the objection under the ground of bad faith has been made out, there is no need for me to look at this ground of objection. However, for the sake of completeness, I will look at this ground as well.

96 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 *Amanresorts* at [36] and [37].

*Goodwill*

97 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).*

Pertinently, I refer to *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.*

98 I refer to paragraph 29 of the Applicants' 1<sup>st</sup> SD which has been referred to above but to which I will make reference again at this juncture given its importance in relation to this ground of objection:

<u>Year</u>	<u>Sales in Euros</u>	<u>In S\$ at then exchange rate</u>
1998	2,343,883	4,361,849
1999	2,404,293	4,709,505
2000	2,099,677	3,579,088
2001	595,710	977,638
2002	496,501	819,048
2003	930,164	1,690,014
2004	397,392	851,774
2005	148,491	324, 932
2006	119,841	238,360
2007	118,071	237,824

It is clear from the above that there have been sales made by the Applicants in Singapore. I also refer to Exhibit FB-13. In particular, pages 25 to 349 consist of invoices showing sales of goods to Singapore customers by the Applicants for the period 2002 – 2005. Exhibit FB-11 also contains invoices showing the same. In particular, pages 303 to 328 consist of random invoices dated during the period 1996 – 2005.

99 The Registered Proprietors submitted that they honestly believed that the Applicants had no intention to use the Applicants' Marks after they went through a series of changes in name and corporate acquisitions during the period 2002 to 2005. The Registered Proprietors submitted that during this period, the Applicants used various trade marks such as "POWERWARE", "INVENSYS" and "EATON". The Registered Proprietors submitted that this shows that the Applicants were not interested in maintaining their rights in the Applicants' Marks and / or that the Applicants had abandoned the goodwill, if any, in the Applicants' Marks. The Registered Proprietors thus concluded that the Applicants have no goodwill on which they could rely in Singapore.

100 The first point I will make here is that because the fact that an entity undergoes name changes / corporate acquisitions does not necessarily mean that the mark is no longer used by the changed entity and that the goodwill dies with the old entity. Similarly, just because such an entity used various other trade marks following such name changes / corporate acquisitions, it does not necessarily mean that the entity has abandoned a particular mark and no longer retains goodwill in that mark.

I refer to my analysis above it has been shown that the Applicants' Marks were in use during the period 2002 to 2005.

101 I refer in particular to FB-13 of the Applicants' 2<sup>nd</sup> SD which consists of invoices issued to Singapore customers:

- (i) Pages 25 to 107 consist of invoices issued in the year 2002. The invoices on pages 25 to 38 were issued when the Applicants were still known as BORRI S.r.L. and thus the BORRI logo and device appears prominently at the top left hand corner of the invoices. Pertinently, pages 39 to 107 consist of invoices issued in the year 2002 when the Applicants were known as Invensys Power. It is recalled that the Applicants assumed the name Invensys Power on 18 February 2002 (see Exhibit FB-1 at page 31 of the Applicants' 1<sup>st</sup> SD). I refer in particular to pages 62, 65, 75, 78 and 102. These invoices were issued on 27 June 2002, 18 July 2002, 17 September 2002, 3 October 2002 and 19 December 2002 respectively. It can be seen that that the BORRI logo and device appear as watermarks on these invoices. The other watermarks are LAMDA and POWERWARE. These invoices show that in the year 2002, when the Applicants were known as Invensys Power, they used 3 marks, namely BORRI, LAMDA and POWERWARE, and pertinently, they did use the BORRI logo and device.

Following from the above, it can be concluded that there is use of the BORRI logo and device in the year 2002 when the Applicants were known as Invensys Power and that the BORRI logo and device was in use even though there were also other trade marks in use.

- (ii) Pages 108 to 222 consist of invoices issued in 2003. These invoices were issued when the Applicants were known as Invensys Power. I refer in particular to pages 145, 152, 157, 161 and 168. These invoices were issued on 15 May 2003, 6 June 2003, 27 May 2003, 20 June 2003 and 4 July 2003 respectively. Again it can be seen that the Applicants used 3 marks during this period, namely, BORRI, LAMDA and POWERWARE and pertinently, they did use the BORRI logo and device.

Thus from the above, it can be concluded that in the year 2003 when the Applicants were known as Invensys Power, the BORRI logo and device was in use even though there were also other trade marks in use.

(iii)Pages 223 to 308 consist of invoices issued in the year 2004. During this period it is to be recalled that the Applicants were known as Powerware and Eaton Power. I refer to Exhibit FB-1 at page 31 of Applicants' 1<sup>st</sup> SD. The Applicants changed their name to Powerware on 30 December 2003 and to Eaton Power on 23 September 2004.

I refer in particular to pages 237, 238, 263, 266 and 272 issued on 26 February 2004, 8 March 2004, 8 June 2004, 30 June 2004, 20 July 2004. It is clear on these invoices that the BORRI device and logo was used. Thus, it can be concluded that the BORRI mark was used in the year 2004.

(iv)I refer to pages 309 to 349. These invoices were issued in the year 2005. During this period, the Applicants were known mainly as Eaton Power and Borri S.p.A (see FB-1 at pages 31 and 32 of the Applicants' 1<sup>st</sup> SD).

From these exhibits, it is clear that the BORRI logo appeared on these invoices.

102 From all of the above, it can be concluded that the Applicants' Marks, whether it is in the form of the BORRI logo or the BORRI logo and device were used during the period 2002 to 2005, and that they were in use even though there are other marks used by the Applicants at the same time.

In light if the evidence above, the element of goodwill is made out.

*Misrepresentation*

103 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.

104 The Registered Mark is identical or if not similar to the Applicants' Marks. For ease of reference only, the marks are as follows:

Registered Mark	Applicants' Marks		
	 (word mark)	 (BORRI logo)	 (BORRI logo & device)

It would also appear that parties are either in the same or closely related fields of businesses. Again, for ease of reference, the goods are as follows:

Registered Mark	Applicants' Marks
<i>Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments; <u>apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity</u>; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus</i>	rectifiers/battery chargers, DC/AC inverters, uninterruptible power systems (UPS), converters, AC/DC distribution panels, static transfer switches, energy systems and related goods

It can be seen that some of the goods claimed under the Registered Mark (specifically the underlined goods) can be considered to be similar to the Applicants' Goods (see details below).

105 In addition, the mark BORRI can be said to be rather distinctive of the goods. In view of the above, taking into account of all the circumstances, there is a misrepresentation in that the public may be misled into thinking that the Registered Proprietors' goods and those of the Applicants originate from the same source or that the parties are connected in some way. This is so even if the public may comprise in large part, a particular cross section of the public.

Thus this element of misrepresentation has been made out.

*Damage*

106 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.*

107 In view of the fact that the Registered Proprietors intend to trade in goods which are similar to that of the Applicants, damage or the likelihood of damage is likely to occur. The Applicants are likely to suffer loss if the Registered Proprietors are allowed to offer their goods (which are similar to the Applicants' Goods) bearing the Registered Mark (which is confusingly similar to the Applicants' Marks) to the members of the public as some trade and profit are likely to be diverted to the Registered Proprietors if the public is confused as to the origin of the goods.

### *Conclusion*

108 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 23(3) read with Sections 8(1) and 8(2)**

109 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(1) of the TMA reads:

*8.—(1) A trade mark shall not be registered if it is identical with an earlier trade mark and the goods or services for which the trade mark is sought to be registered are identical with the goods or services for which the earlier trade mark is protected.*

Section 8(2) of the TMA reads:

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

*(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected; or*

*(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.*

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.*

[Emphasis mine.]

### ***Applicants' Submissions***

#### *Section 8(1)*

110 Under this ground of objection, the Applicants submitted that there are three elements to be satisfied. First the impugned mark must be identical to the Applicants' Marks. The Applicants submitted that there is no issue in relation to this element here. It is the Applicants' case that the impugned mark ie the Registered Mark is identical to the Applicants' word mark BORRI at the minimum. The Applicants submitted that the first element is satisfied.

111 Secondly, the Applicants submitted that the Applicants' Goods are identical to the goods claimed under the Registered Mark even if the goods claimed under the Registered Mark may be described in different words. The Applicants further submitted that there is no argument by the Registered Proprietors that the goods are not identical. It is the Applicants' case that the second requirement is also satisfied.

112 The third requirement is that the Applicants' Marks must be earlier trade marks. The Applicants submitted that there are 3 ways to qualify as an earlier trade mark under Section 2(1) of the TMA. The Applicants rely on the 3<sup>rd</sup> way which is that the Applicants' Marks, at least the word mark, were / was well known trade marks at the date of registration of the Registered Mark on 28 April 2006. The Applicants submitted that there is ample evidence of the use of the Applicants' Marks in Singapore before April 2006. The Applicants referred to paragraph 29 and Exhibit FB-11 respectively of the Applicants' 1<sup>st</sup> SD and Exhibit FB-13 of the Applicants' 2<sup>nd</sup> SD. The Applicants submitted that the trade marks are well known to the relevant sector of the public in Singapore, namely the distributors or vendors and customers for the Applicants' Goods. The Applicants submitted that these parties are identified in the invoices. The Applicants referred to Section 2(8) of the TMA - where a mark is well known to the relevant sector of the public, it is deemed to be well known in Singapore. The Applicants submitted that the Applicants' Marks are therefore earlier trade marks as defined in Section 2(1) of the TMA as they are unregistered marks that are well known in Singapore and belonging to a company from Italy which is a member of the World Trade Organisation.

113 The Applicants submitted as the Registered Mark is also BORRI and the Registered Proprietors intends to use it on goods which can be said to be identical to the Applicants' Goods, registration of the Registered Mark would be contrary to Section 8(1).

#### *Section 8(2)*

114 The Applicants submitted on the same facts relied on for their objection under Section 8(1), if the goods under which the Registered Mark are claimed and the Applicants' Goods are not deemed to be identical, they are similar. Further, in the alternative, if the Registered Mark and the Applicants' Marks are not deemed to be

identical (especially the BORRI logo and the BORRI logo and device), then they are at least similar.

115 The Applicants submitted that if the above is accepted, then registration of the Registered Mark is prohibited under Section 8(2) of the TMA as there will exist a likelihood of confusion on the part of the public. Two different parties using an identical or similar mark on identical or similar goods is bound to cause confusion or there is a real likelihood of confusion. The Applicants submitted that they cannot show actual confusion as the Registered Proprietors have not used the Registered Mark in Singapore. The likelihood of confusion is not hypothetical or speculative. The Applicants submitted that the objection under Section 8(2) is satisfied.

### ***Registered Proprietors' Submissions***

116 In relation to the ground of objections under Sections 8(1) and (2), the Registered Proprietors simply rebut the claims on the basis that the Applicants are unable to proceed on these grounds as the Applicants have no "earlier trade mark" upon which they could rely on.

### ***Decision on Section 8(1) and 8(2)***

117 Again at the outset it is to be noted that as the objection under the ground of bad faith has been made out, there is no need for me to look at this ground of objection. However, for the sake of completeness, I will look at this ground as well.

118 It is clear from the provisions of Section 2 that it is possible for the Applicants' Marks to be considered as "earlier trade marks".

An earlier mark has been defined under Section 2 to include a trade mark which at the date of application for registration of the trade mark in question was a well known mark.

Section 2 provides that a well-known mark includes any unregistered trade mark which is well – known in Singapore and that belongs to a person who is either a national of a Convention country or who is domiciled 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(8) 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.

Section 2(9) provides that in Section 2(7) and (8), the “relevant sector of the public” includes any of the following:

- (a) all actual 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 business and companies in Singapore dealing in the goods or services to which the trade mark is applied.

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' goods / services* only.

Section 2(7) provides that subject to Section 2(8), there are factors which can be taken into account from which it may be inferred that the trade mark is well known in Singapore. This includes:

- (a) the degree to which a trade mark is known to or recognized by any relevant sector of the public in Singapore;
- (b) the duration, extent and geographical area of –
  - (i) any use of the trade mark;
  - (ii) any promotion of the trade mark, including any advertising of or any publicity given to the goods to which the trade mark is applied;
- (c) any registration or application for the registration of the trade mark in any country in which the trade mark is used or recognized and the duration of such registration or application;
- (d) any successful enforcement of any right in the trade mark in any country and the extent to which the trade mark was recognized as well known by the competent authorities of that country;
- (e) any value associated with the trade mark.

119 The Courts have provided some guidance in relation to the application of the provisions.

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 mine.]

120 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 mine.]

121 Applying the above to the current case, can it be said that the Applicants' Marks are well known in Singapore? The relevant date in this instance is 28 April 2006.

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 of the Applicants in Singapore as well as the fact that the Applicants have been generating sales revenue from Singapore since 1998 up until the relevant date of 28 April 2006 (see 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 Applicants' Goods to which the Applicants' Marks are applied; (ii) all persons in Singapore involved in the distribution of the Applicants' Goods to which the Applicants' Marks are applied; or (iii) all business and companies in Singapore dealing in the Applicants' Goods 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' Goods only.

Thus I am of the view that the Applicants' Marks can be considered as "earlier trade marks".

*Section 8(1)*

122 Under the ground of objection under passing off, in particular, in my analysis of the element of misrepresentation, I have placed the marks and the relevant goods side by side for ease of reference. I refer to them again (above).

It is clear that the Registered Mark is identical to the Applicants' word mark and thus the first limb of the objection under Section 8(1) has been made out. For the specifications, at the outset, it is clear that for the goods claimed in relation to the Registered Mark, only those underlined goods (above) are in contention. I agree with the Applicants that it is possible for goods to be considered as identical even though they are described in a different way. However in the current case, the goods cannot be considered as identical.

Thus the ground of objection under Section 8(1) fails.

*Section 8(2)*

123 Again I refer to my analysis for the element of misrepresentation under the ground of objection for passing off. I have found that misrepresentation has been made out. The factors which I have taken into account in coming to this view are similar to the factors which are relevant for the purposes of the ground of objection under Section 8(2) and these include the identity / similarity of the marks and goods as well as any other relevant factors. Thus I am of the view that the objection under Section 8(2) has also been made out. However, for completeness, I will look briefly into the relevant tests under Section 8(2).

124 It is noted that the Court of Appeal in Singapore in the *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR(R) 690 ("Polo Case") laid down the test to be applied with regards to Section 8(2):

*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... While we can see some link and overlap between the first and the third conditions, it is clear that they are different. The fact that a sign is 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... 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...*

*“The question of likelihood of confusion had 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 came from the same source or economically-linked sources. Other extraneous factors could also be taken into consideration when determining the issue of confusion. These included steps taken by the allegedly infringing party to differentiate his goods from those of the registered proprietor, and the kind of customer who would be likely to buy their respective goods.*

[Emphasis mine.]

125 There is also a need to assess the distinctiveness of the earlier mark. The High Court in the *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] SGHC 175 stated at [27] that a more distinct mark generally receives greater protection. 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.

126 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. However, the relative importance of each factor will depend on the circumstances of the actual case.

*Visual, Aural and Conceptual Similarity*

127 Again for ease of reference, the marks are reproduced below:

Registered Mark	Applicants' Marks		
	 <p>(word mark)</p>	 <p>(BORRI logo)</p>	 <p>(BORRI logo &amp; device)</p>

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.]

128 In the current case, it is clear that the essential and the main distinctive feature in the Applicants' Marks is the word "BORRI". It is also clear that both the Registered Mark and the Applicants' Marks consists / contains the word "BORRI".

129 It is apparent that the Registered Mark and the word mark of the Applicants' Marks both consists of the plain word "BORRI" with no other embellishment of any sort. Thus it can be said that the Registered Mark is identical to the word mark of the Applicants' Marks and the first limb under Section 8(2)(a) is satisfied.

130 In relation to the Applicants' logo mark and their logo and device mark, applying the above principles to the current case, can it be said, firstly, that the differences between Registered Mark and the logo mark has enabled the Registered Mark to distinguish itself sufficiently and substantially from the logo mark? I think not. While it can be said that for the logo mark the word "BORRI" is of a particular font and there is a design involved in the logo mark, the Registered Mark reproduces the essence and the main distinctive feature of the logo mark which is the word "BORRI". The same can be said in relation to the logo and device mark of the Applicants. While it is acknowledged that the logo and device mark are such that the word "BORRI" is of a different font from the Registered Mark and there is also a design involved, I do not think that it can be said that the Registered Mark has distinguish itself sufficiently and substantially from the logo and device mark. This is because, again, the Registered Mark reproduces the essence and main distinctive feature of the logo and device mark which is the word "BORRI".

131 In this case, it would appear that the visual aspects of the marks carries relatively more weight than the aural and conceptual aspects since the Applicants promote the Applicants' Goods mainly through participation in fairs and exhibitions as well as through catalogues and trade journals. A consumer also encounters the visual aspect of the marks via invoices and the Applicants' websites.

Visually, the marks are more similar than dissimilar since the Registered Mark reproduces the essence and the main distinctive feature of the Applicants' Marks. It is also apparent that aurally the Registered Mark is identical to the Applicants' Marks. Finally, the Registered Mark is identical to the Applicants' Marks conceptually in that the

marks connote the idea that the goods are provided by an individual / company called BORRI.

132 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.

133 In view of the above, I am of the view that the marks are visually, aurally and conceptually similar and as such the first limb of Section 8(2)(b) is satisfied.

*Similarity of Services*

134 Again, for ease of reference, the specifications for the marks are reproduced below:

Registered Mark	Applicants' Marks
<p><i>Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life saving and teaching apparatus and instruments; <u>apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity</u>; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; automatic vending machines and mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment and computers; fire-extinguishing apparatus</i></p>	<p>rectifiers/battery chargers, DC/AC inverters, uninterruptible power systems (UPS), converters, AC/DC distribution panels, static transfer switches, energy systems and related goods</p>

From the above, it is clear that the only goods under contention in relation to the goods claimed under the Registered Mark are those which are underlined. It can be seen from the above that the goods under contention are not identical to the Applicants' Goods. Thus the next step is to see if the goods can be considered to be similar.

135 To determine the similarity of goods, the following factors as applied by the English High Court in **British Sugar plc v James Robertson & Sons Ltd** [1996] RPC 281 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 services;
- (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 or services, for instance whether market research companies would put the goods or services in the same or different sectors.

136 Applying the factors above, it can be said that the goods in contention and the Applicants' Goods are similar in that there is an overlap in the uses, users, physical nature and respective trade channels. The goods are also competitive to a certain extent.

Thus the second limb of Section 8(2) is satisfied.

#### *Likelihood of Confusion*

137 As provided above, 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.

In the current case, given that the marks share the essential and main distinctive component "BORRI" and that the relevant goods 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 goods, there is a risk the public might believe that the goods come from the same source.

138 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" and in this case, a particular section 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*

139 In view of the above, the 3<sup>rd</sup> limb of Section 8(2) has been made out. In conclusion, the ground of objection under Section 8(2) succeeds.

## **Conclusion**

140 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 7(6), 8(7)(a) and 8(2).

Accordingly, Trade Mark Registration No. T0608142B 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 26<sup>th</sup> day of April 2011

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Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Division

Intellectual Property Office of Singapore