

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

Trade Mark Application Nos. T0811207D, T0808231J and T0808233G  
16 November 2011

**IN THE MATTER OF TRADE MARK APPLICATIONS BY**

**RUM CREATION & PRODUCTS INC.**

**AND**

**OPPOSITION THERETO BY**

**EX HACIENDA LOS CAMICHINES, S.A. DE C.V.**

Hearing Officer: Ms See Tho Sok Yee  
Principal Assistant Registrar of Trade Marks

Mr Han Wah Teng (Nanyang Law LLC) for the Applicants

Ms Eileen Chong (Drew & Napier LLC) for the Opponents

*Cur Adv Vult*

**GROUND OF DECISION**

1 This is a consolidated opposition to the registration of three trade marks (“the Application Marks”) as follows:

TM No.	Application Date	Mark	Class	Goods
T0811207D	19 August 2008	ZACAPA CENTENARIO	33	Rum, rum spirits, rum liquors, rum cocktails and alcoholic beverages containing rum.
T0808231J	20 June 2008		33	Rum, rum spirits, rum liquors, rum cocktails and alcoholic beverages containing rum.
T0808233G	20 June 2008		33	Rum, rum spirits, rum liquors, rum cocktails and alcoholic beverages containing rum.

2 The Applicants are Rum Creation and Products Inc. (“the Applicants”) and the Opponents are Ex Hacienda Los Camichines, S.A. de C.V. (“the Opponents”).

3 Trade Mark No. T0811207D was accepted and published on 26 November 2009 for opposition purposes. The Opponents opposed this application on 22 January 2010 and filed an amended Notice of Opposition on 18 March 2010. The Applicants filed their Counter-Statement on 23 March 2010.

4 Trade Mark No. T0808231J was accepted and published on 15 January 2010 for opposition purposes. The Opponents opposed this application on 11 March 2010 and

the Applicants filed their Counter-Statement on 6 April 2010. An amended Notice of Opposition was filed on 23 July 2010.

5 Trade Mark No. T0808233G was accepted and published on 15 January 2010 for opposition purposes. The Opponents opposed this application on 11 March 2010 and the Applicants filed their Counter-Statement on 6 April 2010. An amended Notice of Opposition was filed on 23 July 2010.

6 The Opponents filed evidence in support of the opposition on 26 May 2010 (T0811207D) and 2 June 2010 (T0808231J and T0808233G). The Applicants filed evidence in support of the application on 23 December 2010 (T0811207D, T0808231J and T0808233G). Evidence in reply was filed by the Opponents on 25 April 2011 (T0811207D, T0808231J and T0808233G). The Pre-Hearing Review was held on 6 June 2011, after which the opposition was heard on 16 November 2011.

### **Grounds of Opposition**

7 As against Trade Mark No. T0811207D, the Opponents rely on Section 8(2)(b) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”) in their opposition. As for the opposition to Trade Mark Nos. T0808231J and T0808233G, the Opponents base their action on Sections 8(2)(b), 8(4)(i) and 8(7)(a) of the Act.

### **Opponents’ Evidence**

8 The Opponents’ evidence in respect of Trade Mark No. T0811207D comprises a Statutory Declaration made by Mr Lawrence E. Abelman, authorised signatory of the Opponents, on 18 May 2010 in New York, USA, as well as a Statutory Declaration in Reply made by the same deponent on 20 April 2011 in New York, USA.

9 The Opponents’ evidence in respect of Trade Mark No. T0808231J comprises a Statutory Declaration made by Mr Lawrence E. Abelman, authorised signatory of the Opponents, on 20 May 2010 in New York, USA, as well as a Statutory Declaration in Reply made by the same deponent on 20 April 2011 in New York, USA.

10 The Opponents’ evidence in respect of Trade Mark No. T0808233G comprises a Statutory Declaration made by Mr Lawrence E. Abelman, authorised signatory of the Opponents, on 20 May 2010 in New York, USA, as well as a Statutory Declaration in Reply made by the same deponent on 20 April 2011 in New York, USA.

### **Applicants’ Evidence**

11 The Applicants’ evidence in respect of Trade Mark No. T0811207D comprises a Statutory Declaration made by Mr Edwin Antonio Marroquin Hernandez, authorised representative of the Applicants, on 23 November 2010 in Guatemala, as well as a Supplementary Statutory Declaration made by the same deponent on 23 August 2011 in Guatemala.

12 The Applicants' evidence in respect of Trade Mark No. T0808231J comprises a Statutory Declaration made by Mr Edwin Antonio Marroquin Hernandez, authorised representative of the Applicants, on 23 November 2010 in Guatemala, as well as a Supplementary Statutory Declaration made by the same deponent on 23 August 2011 in Guatemala.

13 The Applicants' evidence in respect of Trade Mark No. T0808233G comprises a Statutory Declaration made by Mr Edwin Antonio Marroquin Hernandez, authorised representative of the Applicants, on 23 November 2010 in Guatemala, as well as a Supplementary Statutory Declaration made by the same deponent on 23 August 2011 in Guatemala.

### **Applicable Law and Burden of Proof**

14 As the applicable law is the Trade Marks Act (Cap 332, 2005 Rev Ed), there is no overall onus on the Applicants either before the Registrar or in opposition proceedings. The undisputed burden of proof in the present case falls on the Opponents.

### **Background**

15 The words "ZACAPA CENTENARIO" in all the Application Marks are derived from the 100<sup>th</sup> anniversary of the founding of the Guatemalan city of Zacapa in 1876. In 1976, Licorera Quetzalteca, S.A. produced "Ron Zacapa" (Spanish for "Zacapa rum") at a festival commemorating Zapaca's centennial anniversary. At the hearing, the Applicants' agents submitted that Licorera Quetzalteca, S.A. is likely to be related to the Applicants but the exact relationship is not known nor supported by evidence.

16 Zacapa as a Guatemalan city is renowned locally for its manual crafting of cigars, hard dry cheese and quesadilla. The population of Zacapa in 2000 is estimated at 212,794. Zacapa is mainly a rural area that contains a large amount of flat land used to grow cantaloupe, tobacco and roma tomatoes.

17 As for "Centenario", it is Spanish for "Centenary" or "Centenarian".

18 "Ron Zacapa Centenario" produced by Licorera Zacapaneca, S.A. garnered awards from Carribean Communications Inc. in 1998, 1999 and 2001 as "1<sup>st</sup> Place Winner, Premium Category" (1998, 1999) and as "Gold Award Winner, Premium Category" (2001). In 2001 and 2002, "Ron Zacapa Centenario 23 Year Old Rum" was recognised by Beverage Testing Institute Tastings Com. as a "Best Spirit of 2001" and a "Best Spirit of 2002" respectively. Again, during the hearing, the Applicants' agents submitted that Licorera Zacapaneca, S.A. is likely to be related to the Applicants but the exact relationship is not known nor supported by evidence.

19 The Applicants have used and/or registered a series of marks, including ZACAPA CENTENARIO 15, ZACAPA CENTENARIO 23, ZACAPA CENTENARIO X.O. and/or marks comprising the word "Zacapa" in many countries worldwide, including the USA, Mexico, Canada, Guatemala, El Salvador, Honduras, Costa Rica, Nicaragua, Peru, Ecuador, Argentina, Colombia, Bolivia, Uruguay, Chile, Cuba, Japan, European Union, Russia, Australia, New Zealand, Hong Kong,

Thailand, Vietnam, India, Laos, Malaysia, Indonesia, Macau, Korea, Taiwan and Singapore.

20 The Applicants' goods under the Application Marks have been advertised and received media exposure. The worldwide advertising and promotional figures for the Application Marks are as follows:

<b>Year</b>	<b>Advertising and Promotional Figures (US\$)</b>	<b>Equivalent in S\$</b>
2005	1,393,659.00	1,723,220.00
2006	548,721.00	678,477.00
2007	3,171,915.00	3,921,980.00
2008	15,333,300.00	18,959,299.00
2009	17,195,734.00	21,262,000.00

21 The Applicants' advertisements appear in many publications which they claim are globally well known. These include The New York Times Style Magazine, New York Post, New York Post Online, Food & Wine, Latina, Tulsa World, San Francisco Bay Guardian, Sante, South Jersey Magazine, Tampa Bay Metro Magazine, Louisiana Beverage Journal, Ohio Tavern News, Colorado Beverage Analyst, Nebraska Beverage Analyst etc.

22 There is no Singapore-specific evidence in terms of use or advertising and promotion of the Applicants' goods under the Application Marks. The Applicants claimed in their Counter-Statement that there has been use in Singapore since May 2006. However, the Applicants' agents confirmed at the hearing that there is no evidence to substantiate this claim.

23 Mr Hernandez claims in his statutory declarations that "Zacapa" is not a word that is commonly used by the Singapore public. He also claims that the taste of rum and tequila are very different and that an average consumer who is reasonably well-informed and circumspect will be able to appreciate the differences between rum and tequila.

24 The Applicants further claim that the Applicants' and Opponents' trade marks have co-existed in many jurisdictions, namely Colombia, USA, Mexico, European Union, Russia, Australia and Turkey, without real confusion in the relevant market.

25 The Opponents are the registered proprietors of Trade Mark No. T9504461G "GRAN CENTENARIO" in Class 33 in respect of "Tequila, tequila cocktails, and alcoholic beverages containing tequila" ("the Opponents' Mark"). The Opponents' Mark was registered on 19 May 1995. It means "Grand Centennial" in Spanish.

26 The Opponents' Mark was conceived at the end of the 19<sup>th</sup> century, when tequila producer Lazaro Gallardo invented a unique tequila-making process. He named the tequila made by this process "GRAN CENTENARIO" in commemoration of the new 20<sup>th</sup> century. The Opponents' "GRAN CENTENARIO" goods are still made using Lazaro Gallardo's original method.

27 The Opponents have registered "GRAN CENTENARIO" in many countries worldwide, including the USA, Mexico, Canada, Ecuador, El Salvador, Honduras, Panama, Paraguay, Peru, Argentina, Colombia, Brazil, Bolivia, Chile, Colombia, Japan, European Union, Russia, Australia, New Zealand, Hong Kong, Thailand, India, South Korea, Thailand and Switzerland. The Opponents have also registered "CENTENARIO" in various countries including Argentina, Australia, Benelux, China, Denmark, Ecuador, European Union, France, Greece, India, Italy, Japan, Mexico, Paraguay, Peru, Russia, Switzerland and the USA.

28 The Opponents claim to have sold goods under the mark "GRAN CENTENARIO" in Singapore since at least 26 November 2008. The sole item of evidence adduced to demonstrate use of the Opponents' Mark in Singapore is an invoice dated 26 November 2008 issued by Casa Cuervo, S.A. de C.V. to Genco Holdings Pte Ltd. It is claimed that Casa Cuervo, S.A. de C.V. is related to the Opponents and distributes "GRAN CENTENARIO" goods.

29 The Opponents claim to have spent substantial amounts on advertising and promotion worldwide including in newspapers, magazines and on television. There is, however, no evidence of the advertisement and promotion of "GRAN CENTENARIO" goods in Singapore.

30 The Opponents' evidence claims that "GRAN CENTENARIO" is Mexico's most award winning ultra-premium tequilas. Recent awards include the following:

- (i) Gran Centenario Plata – Double Gold Medal  
2008 San Francisco Wine and Spirits Competition
- (ii) Gran Centenario Plata – Silver Medal  
2008 Polished Palate Spirits of Mexico Competition
- (iii) Gran Centenario Plata – 93 Points  
Beverage Testing Institute July 2008
- (iv) Gran Centenario Anejo – Silver Medal  
2008 San Francisco Wine and Spirits Competition
- (v) Gran Centenario Anejo – "Best of Category" Gold Medal  
2008 Polished Palate Spirits of Mexico Competition
- (vi) Gran Centenario Anejo – 94 Points  
Beverage Testing Institute July 2008
- (vii) Gran Centenario Leyenda – Silver Medal  
2008 San Francisco Wine and Spirits Competition
- (viii) Gran Centenario Leyenda – 95 Points  
Beverage Testing Institute July 2008
- (ix) Gran Centenario Reposado – 94 Points  
Beverage Testing Institute July 2008

## **MAIN DECISION**

### **Ground of Opposition under Section 8(2)(b)**

31 Section 8(2)(b) of the Act reads:

A trade mark shall not be registered if because —

...

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

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

### ***Opponents' Submissions***

32 The Opponents submit that the Opponents' Mark is an "earlier trade mark" as defined under (a) of Section 2(1) of the Act. This is because its registration date of 19 May 1995 pre-dates the Application Marks filed on 20 June 2008 and 19 August 2008.

33 The Opponents submit that the respective marks are visually, aurally and conceptually similar.

34 In particular, Trade Mark No. T0811207D is visually similar to the Opponents' Mark because:

- (i) the marks both consist of two words;
- (ii) the marks both end with the word "CENTENARIO";
- (iii) the distinctive and dominant portion of the Opponent's mark is the word "CENTENARIO". The average Singaporean consumer would be unfamiliar with the word "CENTENARIO" and is likely to believe that it is a meaningless, invented term, and therefore the distinctive element of the mark; and
- (iv) the distinctive and dominant portion of Trade Mark No. T0811207D "ZACAPA CENTENARIO" is also "CENTENARIO", because "Zacapa" is a geographical location and is likely to be perceived by consumers as merely denoting the geographical origin of the goods, which are liquors.

35 Further, Trade Mark No. T0811207D is aurally similar to the Opponents' Mark because the last five syllables of the marks are identical.

36 The Opponents also submit that Trade Mark Nos. T0808231J and T0808233G are visually similar to the Opponents' Mark because:

- (i) the marks all contain the word "CENTENARIO";
- (ii) the distinctive and dominant portion of the Opponent's Mark is the word "CENTENARIO". The average Singaporean consumer would be unfamiliar with the word "CENTENARIO" and is likely to believe that it is a meaningless, invented term, and therefore the distinctive element of the mark; and
- (iii) the distinctive and dominant portion of Trade Mark Nos. T0808231J and T0808233G is also the word "CENTENARIO", because "Zacapa" is a geographical location and is likely to be perceived by consumers as merely denoting the geographical origin of the goods, which are liquors and because

the other elements in the mark are merely decorative and are only of ornamental value.

37 Further, Trade Mark Nos. T0808231J and T0808233G are aurally similar to the Opponents' Mark because:

- (i) The only verbal elements in Trade Mark Nos. T0808231J and T0808233G are the words "Zacapa Centenario" and the number "15" and "23". However, it is submitted that consumers are likely to refer to goods sold under Trade Mark Nos. T0808231J and T0808233G by the words "Zacapa Centenario" as the number is at the bottom of the marks, some distance away from the words. It is therefore submitted that the marks will be pronounced "Zacapa Centenario" rather than "Zacapa Centenario 15" or "Zacapa Centenario 23".
- (ii) Trade Mark Nos. T0808231J and T0808233G are accordingly aurally similar to the Opponent's Mark as the last five syllables of "Zacapa Centenario" and "GRAN CENTENARIO" are identical.

38 The Opponents also contend that the respective marks are conceptually similar. They cite the principle that if "the mark comes to be remembered by some feature in it which strikes the eye and fixes itself in the recollection", then confusion is likely to result if that feature is adopted in the trade mark of another."

39 By way of example, the following marks have been held to be confusingly similar by virtue of the common ideas created by the respective marks:

- (i) "White Ship" and "Old Ship"
- (ii) "OPEN COUNTY" and "OPEN AIR"
- (iii) "Puffin" and "Penguin"
- (iv) "QUEEN'S GARDEN" and "QUEEN'S CLUB"

40 To the public at large in Singapore, the word "CENTENARIO" will appear to be meaningless. The risk of imperfect recollection is therefore even higher. In this regard, reference is made to the comments of Laddie J in *Wagamama v City Centre Restaurants* [1995] FSR 713, 732 where it was held that there was confusing similarity between "WAGAMAMA" and "RAJA MAMA", since both words appear to be meaningless to the general public in the United Kingdom:

"Whether there has been trade mark infringement is more a matter of feel than science. I have borne in mind all of the arguments advanced by the defendant. However in this case it is significant that the marks are being used in relation to comparatively inexpensive restaurant services. This is an area where imperfect recollection is likely to play an important role. Furthermore the fact that the plaintiff's mark is quite meaningless means that imperfect recollection is more likely."

41 The Opponents also submit that the respective goods are similar, relying on the factors set out in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 ("*British Sugar*"):

- (i) the respective uses of the goods;

- (ii) the respective users of the goods;
- (iii) the physical nature of the goods;
- (iv) the trade channels through which the goods reach the market;
- (v) for self-serve consumer items, whether in practice they are found or likely to be found, in particular, on the same or different shelves; and
- (vi) the extent to which the respective goods are competitive.

42 In addition, the Opponents rely on the UK cases below that found the following goods similar or of the same description:

- (i) “whisky” and “wines”: *Balmoral Trade Mark* [1999] RPC 297
- (ii) “beer” and “rum”: *Turney & Son’s Trade Mark* (1894) 11 RPC 37
- (iii) “beers” and “wines”: *Wingara Wine Group Pty Ltd v California Direct Limited* (TM Application No. 2215929)

43 The Opponents also submit that goods are sold together in the alcohol section of stores and websites; and may be bought by the public at large. They are everyday items which are competitive goods. In view of the visual, aural and conceptual similarities between the relevant marks and the high degree of similarity between the respective goods, the Opponents argue that a likelihood of confusion exists between the marks.

#### *Applicants’ Submissions*

44 The Applicants contend that the respective marks are not similar visually, aurally and conceptually.

45 The Applicants submit that marks should be looked at as wholes. In the Applicants' oral submissions, they point out that there is no reason for the Opponents to leave out "Gran" in the Opponents' Mark when comparing marks and both "Gran" and "Centenario" are distinctive. There is no visual similarity if the marks are viewed as a whole because of the word “Zacapa” in the Application Marks. This is far more distinctive than the word “Centenario” which looks and sounds like the English word “Centenary”.

46 In any case, the Applicants argue that the Opponents have not established a family of "Centenario" marks. The Opponents cannot allege that they may use another mark with “Centenario” only and conclude this would give rise to confusion with the Applicant’s mark. The Opponents cannot be given a monopoly over the fact that they have a 100-year history. The Applicants also originate from a Spanish-speaking country and are entitled to use "Centenario". The word is not exclusive to the Opponents. It is a very big jump to identify the Opponents' goods as "Centenario" instead of "Gran Centenario". Even if "Centenario" is a dominant feature in the Opponents' Mark, it is not so in the Application Marks, especially in the device marks (Trade Mark Nos. T0808231J and T0808233G).

47 The Applicants submit, in any event (and I gather to be in the alternative to the oral submission that both "Gran" and "Centenario" are distinctive), that "Centenario" is simply too close to the English version of the word, which has something to do with a centenary, and is not distinctive enough to give rise to confusion. The word

“Zacapa” on the other hand, is unique and distinctive, does not look English and cannot be linked to any other English word. Although it is the name of a city in Guatemala, the city is not known for the production of alcohol, tequila or rum. “Zacapa” is therefore distinctive of the Applicant's goods.

48 The Applicants submit that there is also no aural similarity between the Application Marks and the Opponents' Mark.

49 “Zacapa” is a multi-syllable word clearly distinguishable from the single syllable “Gran”. The marks are pronounced as two words and there is no evidence that the Applicant's mark will only be pronounced as “Centenario”. The length of the words are also clearly different and clearly distinguishable when pronounced. Trade Mark Nos. T0808231J and T0808233G are especially aurally distinguishable with the presence of the numerals 15 and 23 respectively in the marks.

50 Further, there is no issue of conceptual similarity because of the word “Zacapa” in the Application Marks.

51 The Applicants also submit that the respective goods are not similar. Tequila is clearly different from rum. Although both are alcoholic in nature, the similarity ends there.

52 As far as trade channels are concerned, while the Opponents' evidence shows photographs of tequila being sold side by side rum in one particular departmental store and on the internet websites originating from Singapore, there were no photos of the Opponents' own tequila being sold side by side the Applicants' rum products or any other rum products. There is also no evidence that the Opponents' tequila are really self-serve consumer goods or whether these were only sold to traders such as owners of pubs and other nightspots.

53 Further, the Applicants argue that the evidence from the Opponent is that rum and tequila are complementary and not competitive products.

54 If, as the Opponents claim, their tequila is really so well known, it follows that the Singaporean consumer would be able to recognize that “Gran Centenario” tequila is not the same as “Zacapa Centenario” rum.

55 If one considers the disposition of the average Singaporean consumer especially if they are consumers of rum and tequila, there is no doubt that he can easily discern between rum and tequila as well.

56 Further, consumers would perceive the three Application Marks as a family of “Zacapa” marks and will not confuse this with the Opponents' “Gran Centenario” mark.

57 The Applicants conclude that there is no likelihood of confusion.

***Decision on Section 8(2)(b)***

58 The proper test to apply in a determination under Section 8(2)(b) is the three-step test set out by the Court of Appeal in *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR(R) 690 ("*Polo/Lauren*") and not the "global assessment" test adopted by the European Court of Justice in *Sabel BV v Puma AG* [1998] RPC 199. The implication of the three-step test adopted in Singapore is that if there is either no similarity of marks, or no identity or similarity of goods, or both, there is no need to consider whether there is a likelihood of confusion. This test has since been consistently affirmed in our courts, such as in the High Court decision of *Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd* [2011] SGHC 176 ("*Ferrero*") at [21]. Counsel would do therefore do well to apply the three-step test confidently without the need to also submit that the outcome under the "global assessment" test would be the same in most cases, and rely on the latter test as a fall back. If the outcome of the three-step test is not in a party's favour, it is most unlikely that the Registrar will reach a favourable outcome using the "global assessment" test.

59 To succeed under Section 8(2)(b), the Opponents have to prove three elements, namely that the marks are similar; the goods are identical or similar; and, because of the foregoing, there is a likelihood of confusion on the part of the public.

60 We turn now to the first step of the three-step test, relating to the similarity of marks.

#### *Similarity of Marks: Principles*

61 The High Court in *Ferrero* adopted a two-step approach in determining the similarity of marks at [70]-[74], following the High Court decision in *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 2 SLR 459 ("*Ozone*").

62 The two-step approach is:

- (a) whether there is a visual, aural and conceptual similarity between the relevant trade marks; and
- (b) whether the earlier mark is distinctive.

63 At first thought, one may envisage that the distinctiveness of an earlier trade mark is only relevant at the third step of the three-step test, when determining likelihood of confusion. However, this factor is also pertinent at the first step when the similarity of marks is considered. The Court of Appeal in *Polo/Lauren* at [23]-[24] certainly considered the distinctiveness of the earlier mark in finding that the two marks are different. The High Court in *Ozone* also made clear, at [45]-[46], that the High Court in *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2005] 4 SLR(R) 816 ("*Polo/Lauren (HC)*") at [27]-[28] took into account the distinctiveness of the earlier mark in the inquiry into the similarity between the respective marks:

27... The question, then, is whether these differences are enough so as not to capture the distinctiveness of the registered mark. In order to decide this, I first have to consider whether the plaintiff's mark can be considered to be so distinctive that the differences would not negate the similarity...

28... As such, the differences between the plaintiff's mark and the defendant's sign are sufficient so that the latter does not capture the distinctiveness of the registered mark and is therefore not similar to the defendant's [plaintiff's] mark...

64 The application of the "distinctiveness" factor, however, varies. The Court of Appeal in *Polo/Lauren* did not apply it as a distinct second step in the two-step approach coined by the High Court in *Ferrero*. Rather, the "distinctiveness" factor was taken into account in the court's reasoning on the lack of similarity between the respective marks. At [24], immediately after finding no evidence to show that "polo" *per se* is distinctive, the Court of Appeal in *Polo/Lauren* found that:

Bearing in mind that "polo" is a common English word, we are unable to see how it could be said that the sign "POLO PACIFIC" with its special font and design is similar to the mark "POLO" except in the broadest of sense that one word is common.

65 In comparison, the High Court in *Ferrero* had a separate treatment of the "distinctiveness" factor from [70] to [74], after the sections on visual, aural and conceptual similarity from [51] to [69].

66 Howsoever the "distinctiveness" factor is applied, whether as a separate step or conflated with the visual, aural and conceptual comparisons of the respective marks, its importance will particularly bear out in marks on either end of the spectrum: the highly distinctive marks and marks with little distinctiveness.

67 In considering the similarity of marks, the High Court in *Ferrero* at [50] also set out the following principles which guide the determination:

(a) First, the court considers the two signs/marks "as a whole" (*Polo* at [8]; *City Chain* at [47], [50]). However, the court would not take into account "any external added matter or circumstances" because the comparison is "mark for mark" (*MediaCorp* at [33], citing *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 at [55] ("*Caterpillar*")).

(b) Second, the signs/marks are considered from the viewpoint of the average consumer – *not* an unthinking person in a hurry, but rather, a person who would exercise some care and good sense in making his purchases (*Polo* at [34]).

(c) Third, when comparing the two signs/marks, what is relevant is the "imperfect recollection" of the customer (*MediaCorp* at [33], citing *Nautical Concept Pte Ltd v Jeffery Mark Richard* [2007] 1 SLR(R) 1071 at [30]). The court will not compare the two marks side by side and examine them in detail, because "the person who is confused often makes comparison from memory removed in time and space from the marks" (*MediaCorp* at [33], citing *Caterpillar* at [55]).

#### *Similarity of Marks: Analysis*

68 At the outset, there is no dispute that the Opponents' Mark is an "earlier trade mark" as defined under of Section 2(1) of the Act. This is because its application date of 19 May 1995 pre-dates Trade Mark Nos. T0808231J and T0808233G filed on 20 June 2008 and Trade Mark No. T0811207D filed on 19 August 2008.

69 Some preliminary comments must be made about how the Application Marks should be perceived. The Opponents contend that the distinctive and dominant portion of the Application Marks is "CENTENARIO" because consumers would be aware that "ZACAPA" is a geographical location. However, I am not persuaded by this argument. Given that Zacapa is a small Guatemalan city with an estimated population of 212,794 in 2000, it would be going too far to say that the average Singapore consumer will identify it as a descriptive geographical location and thus consider "CENTENARIO" the distinctive and dominant portion of the marks.

70 The Applicants, on the other hand, seem to suggest that *Polo/Lauren* should apply such that the focus is on "ZACAPA"/"GRAN" due to the common denominator of the word "CENTENARIO", which they argue is close to the English word "centennial" and thus not sufficiently distinctive. However, the approach in *Polo/Lauren* can be differentiated on the facts because in that case, the common denominator was the word "polo", which is an ordinary English word that the average Singapore consumer recognises and is familiar with. The same cannot be said of the word "Centenario", a Spanish word that the average Singapore consumer is unlikely to be familiar with. While "Centenario" may bear some resemblance to the English word "centennial", it would be a stretch to conclude that "Centenario" is a common English word as "polo" is, and thus place emphasis on "ZACAPA" and "GRAN" instead.

71 This being the case, I will perceive the Applicants' and the Opponents' marks as wholes, without pre-judging with a particular emphasis on either of the words in the marks.

(i) *Distinctiveness of the Opponents' Mark*

72 The High Court in *Ferrero* opines at [71] that:

The factor of distinctiveness is important because it affects the question of whether marks are similar. As was noted in *Bently & Sherman* at pp 866-868 (and cited in *Ozone* at [44]):

*Distinctiveness.* The question of whether marks are similar will often be dependent on the inherent or acquired distinctiveness of the mark (for the goods or services for which it is registered). This has a number of effects.

First, the less distinctive the earlier trade mark, the less literal or visual alteration is necessary to ensure that the later mark is not similar. ... [The learned authors go on to cite examples to illustrate such a principle] ...

Second, if the earlier mark is highly distinctive, then a mark that has been substantially modified might still be similar ...

73 As opined above at [64] to [66], there are different applications of the "distinctiveness" factor. In the present case, I will deal with this issue at the outset, before incorporating the factor into my considerations on the visual, aural and conceptual comparisons of the respective marks.

74 I find that the Opponents' Mark, "GRAN CENTENARIO", is moderately distinctive. It is not in the same category as "VOLVO", which the Court of Appeal in *Polo/Lauren* cited at [23] as an example of an inventive word without any notional or allusive quality. Neither is it at the other end of the spectrum as "POLO" is; in *Polo/Lauren* at [23], the latter "*is certainly not an inventive word and could claim no inherent distinctiveness*". The Opponents' Mark "GRAN CENTENARIO" is firmly and safely on the spectrum of distinctiveness, at least in Singapore where Spanish is not widely spoken, with an allusive quality that may not be discerned by all members of the purchasing trade and public.

75 Following the High Court in *Ferrero* at [71] as set out above, since the Opponents' Mark is moderately distinctive, moderate literal or visual alteration is necessary to ensure that the later mark (the Application Marks in this case) is not similar. The Opponents' Mark is not so highly distinctive as "VOLVO" is, for example, that later marks which are substantially modified might still be similar. Moderate modification may serve to distinguish the marks.

(ii) *Visual Similarity*

76 The High Court in *Ferrero* at [51] states that:

In the case of word marks, a determination of visual similarity typically involves looking at the (a) length of the marks; (b) structure of the marks (*i.e.*, whether there are the same number of words); and (c) whether the same letters are used in the marks (*Ozone Community* at [49], citing *Bently & Sherman, Intellectual Property Law* (Oxford University Press, 3rd Ed, 2009) at 865 ("*Bently & Sherman*").

77 Comparing the length of the marks, Trade Mark No. T0811207D "ZACAPA CENTENARIO" is slightly longer with 16 letters and the Opponents' Mark "GRAN CENTENARIO" is shorter with 14 letters. As for Trade Mark Nos. T0808231J and T0808233G, these are composite marks comprising word elements ("ZACAPA CENTENARIO") as well as numerical (15 and 23 respectively) and pictorial elements. The lengths of the word elements differ between Trade Mark Nos. T0808231J and T0808233G and the Opponents' Mark.

78 As for the structure of the respective marks, *i.e.* "whether there are the same number of words", all the marks are broadly similar in that they contain two words.

79 To the above, I would add my visual observations that the design elements in Trade Mark Nos. T0808231J and T0808233G are significant in distinguishing them from the Opponents' Mark, which is a plain word mark.

80 First, the words "Zacapa Centenario" in Trade Mark Nos. T0808231J and T0808233G are of a stylized font, with the word "Zacapa" above "Centenario" and in

much bigger font than the latter, unlike the Opponents' mark where "GRAN" and "CENTENARIO" are adjacent to each other and of equal font size. In addition, the Applicants' marks are in sentence case, whereas the Opponents' mark is entirely in upper case.

81 I note the High Court held in *Ferrero* that "Nutella" and "Nutello" were visually similar despite differences in font, typeface and design. The rationale of the High Court at [58] was that "*it would be illogical that the protection granted to a registered proprietor's trade mark may be circumscribed simply by tweaking the font or style of the lettering of the word mark, especially where the registered proprietor had deliberately registered the word mark in block letters to represent that the distinctiveness of the mark lies in the word itself.*" Nevertheless, the present case may be distinguished from *Ferrero* because the font, typeface and design differences apply to an entirely different word element (*i.e.* "Zacapa", as opposed to "Gran") in dual-word marks here unlike in *Ferrero* where the marks "Nutella" and "Nutello" were single-word marks substantially similar in terms of length and spelling. This is especially since attention is drawn to the word "Zacapa" because its size is much larger than "Centenario".

82 Further, there are other design elements in Trade Mark Nos. T0808231J and T0808233G as compared to the Opponents' Mark which is a plain word mark. In addition to stylized font, the Applicants' composite marks incorporate a floral design at their top right hand corners, a woven pattern in the middle, and the numbers "15" and "23" at the bottom in T0808231J and T0808233G respectively. Contrary to the Opponents' submission that these elements are merely decorative and only of ornamental value, I find that these elements have a substantial visual impact and serve to differentiate the Applicants' marks from the Opponents' marks visually.

83 Finally, the issue whether the same letters are used in the marks must be considered. The respective marks differ in that their first words, "ZACAPA" and "GRAN", are different. However, the second word "CENTENARIO" is common to both the Application Marks and the Opponents' Mark. Given that visually, "CENTENARIO" is the longer word, there is a moderate degree of visual overlap between Trade Mark No. T0811207D and the Opponents' Mark.

84 I have earlier found that the Opponents' Mark, "GRAN CENTENARIO", is moderately distinctive. Comparing Trade Mark No. T0811207D "ZACAPA CENTENARIO" and the Opponents' Mark "GRAN CENTENARIO", both of which are plain word marks, I find that they are visually similar. The material difference, where "ZACAPA" appears instead of "GRAN", is not sufficient to overcome the visual similarity between the marks.

85 As for Trade Mark Nos. T0808231J and T0808233G, taking into account their design features and the word elements relative to the composite structure as a whole, I find that they are not visually similar to the Opponents' Mark. The more than moderate differences suffice to render the respective marks not similar.

(iii) *Aural Similarity*

86 While there is no disagreement on how Trade Mark No. T0811207D as a plain word mark is pronounced, the parties have opposing views on how Trade Mark Nos. T0808231J and T0808233G are pronounced. The numerical elements "15" and "23" are small and appear at the bottom of the marks, far removed from the eye-catching word element "Zacapa Centenario" at the top. I am inclined to agree with the Opponents that the average consumer is likely to read all three of the Application Marks as "Zacapa Centenario", placing less emphasis on "15" and "23" in T0808231J and T0808233G respectively. Thus, it would be in order to compare the aural similarity of "ZACAPA CENTENARIO" and "GRAN CENTENARIO" across the three Application Marks.

87 Although the Applicants and the Opponents have at times proceeded on their analysis by focussing on "Zacapa" and "Centenario" respectively, it must be emphasised that following *Polo/Lauren* and a long line of established cases, the marks must be considered as wholes. In this regard, both parties do agree in principle that marks should be compared as wholes and it is on this basis that we will proceed. Thus, in analysing the aural similarity of the Applicants' and the Opponents' marks, the comparison must be made between "ZACAPA CENTENARIO" and "GRAN CENTENARIO" and not either of the component words *i.e.* "Zacapa" and "Gran" or "Centenario" and "Centenario".

88 As opined by Luxmoore LJ and cited with approval by the House of Lords in *Aristoc, Ld v Rysta, Ld* [1945] RPC 65, 72, "*the answer to the question whether the sound of one word resembles too nearly the sound of another... must nearly always depend on first impression.*" When read, it is clear that the length of the marks sounds different: "ZACAPA CENTENARIO" has seven syllables, whereas "GRAN CENTENARIO" has five. The beginnings of the marks, which are aurally more impactful than the endings in this case, also register as aurally different. This is a matter of "*first impression*" and does not set forth any principle or establish any precedent that the beginnings of marks are always more important than the endings thereof. However, it is also aurally perceptible that the endings of the marks are identical. As found earlier, the Opponents' Mark is moderately distinctive. The aural impression of the respective marks is such that the differences are sufficient to render the Application Marks aurally distinguishable from the Opponents' Mark. Thus, the respective marks are not aurally similar.

(iv) *Conceptual Similarity*

89 On the issue of conceptual similarity, one is to consider what the respective marks both denote and connote. The easiest understanding of "denotation" is the "dictionary meaning" of a word. On the other hand, "connotation" refers to the association that springs to mind upon apprehension of a word. Thus, even for invented words (such as "NUTELLA" and "NUTELLO" in the *Ferrero* case), although there may be no dictionary meaning, it may be still be possible to compare the associated ideas behind the mark in an exercise to determine conceptual similarity.

90 In this respect, the High Court in *Ferrero* at [66] states that:

In considering whether there is *conceptual* similarity between marks, it is necessary to consider the *ideas that lie behind or inform the earlier mark*

*(Festina Lotus SA v Romanson Co Ltd [2010] 4 SLR 552 ("Festina") at [38], citing Bently & Sherman at p 866).*

91 On dealing with invented words, the High Court's findings on the marks "FESTINA" and "J.ESTINA" in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 ("*Festina*") at [45] are instructive:

...insofar as the two marks comprise an invented word, in that "FESTINA" and "J.ESTINA" are not English terms found in dictionaries, and that both employ a pictorial element that hints at "class" and "status", there are some conceptual similarities between the two marks, as opposed to complete or significant similarities, bearing in mind that the crest and crown devices evoke a sense of class but only the crown device evokes a sense of royalty.

92 Likewise, the High Court in *Ferrero* found conceptual similarity between "Nutella" and "Nutello" at [69]:

Conceptually, both "Nutella" and "Nutello" are invented words, in that they are not English words found in dictionaries. The imperfect recollection of an average consumer, who does not juxtapose the two marks side-by-side, will probably consider the marks to be conceptually similar.

93 In the present case, the respective marks comprise Spanish words. The words "ZACAPA CENTENARIO" in the Application Marks refer to a Guatemalan city ("Zacapa") and a "centenary" or "centenarian" ("Centenario"). It is noted that Zacapa is known for a number of produce, such as cigars, hard dry cheese, quesadilla, cantaloupe and roma tomatoes, but not rum. Hence, even if the Singapore public recognises "Zacapa" as a geographical name (which is not likely), it is even less likely to perceive "Zacapa" as a descriptive indicator of the rum's origin. At the other end of the comparison, the Opponents' Mark "GRAN CENTENARIO" means "Grand Centennial" in Spanish.

94 In Singapore, the public is likely to apprehend the respective marks as foreign words, though most of them will not know the exact translated meaning from Spanish to English. In this respect, "ZACAPA CENTENARIO" and "GRAN CENTENARIO" are more akin to "FESTINA" and "J.ESTINA"; and "Nutella" and "Nutello" than to ordinary English words with dictionary meanings, such as the list of examples cited by the Opponents at [39] above.

95 Accordingly, as with the findings in *Festina* and *Ferrero*, I am inclined to think that Trade Mark No. T0811207D "ZACAPA CENTENARIO" and "GRAN CENTENARIO" are somewhat conceptually similar. The High Court's finding in *Ferrero* at [69] that "*the imperfect recollection of an average consumer, who does not juxtapose the two marks side-by-side, will probably consider the marks to be conceptually similar*" resonates here. Further, to some members of the English speaking Singapore public, the respective marks may allude to the idea of a hundred years, because of the word "CENTENARIO", which suggests centenary / centennial. As I have found earlier that the Opponents' Mark is moderately distinctive, I do not think that the difference in Trade Mark No. T0811207D ("Zacapa" instead of "Gran")

outweighs the conceptual overlap when the Singapore public apprehends these foreign language marks.

96 Similar comparison considerations apply to Trade Mark Nos. T0808231J and T0808233G. However, the conclusion differs. The overwhelming prominence of "Zacapa" which dwarves the word "Centenario" by a few times in the overall concept, and design features such as the wide band of basket weaving across the marks and the device of flowers above "Zacapa" all contribute to a different concept from "GRAN CENTENARIO", a plain word mark. Trade Mark Nos. T0808231J and T0808233G conjure up an idyllic, laid back, Caribbean holiday mood which is sufficient to outweigh any conceptual similarity with the moderately distinctive "GRAN CENTENARIO".

(v) *Conclusion on Similarity of Marks*

97 Comparing Trade Mark No. T0811207D "ZACAPA CENTENARIO" and the Opponents' Mark "GRAN CENTENARIO", both being plain word marks, I find that they are visually similar; aurally not similar; and conceptually similar.

98 As for Trade Mark Nos. T0808231J and T0808233G, I find that they are not similar to the Opponents' Mark, whether visually, aurally or conceptually.

*Similarity of Goods: Principles*

99 Both parties proceed on the premise that the goods are not identical, and therefore arguments have been canvassed for and against the similarity of the respective goods, rum and tequila.

100 In *Ferrero* at [88], the High Court opined that "*the British Sugar guidelines may not have as much weight (if any at all) in a situation where the respective products fall within the same class of products*". Chan J observed that in *British Sugar*, the goods in question fell within different classes of the Nice Classification (International Classification of Goods and Services) ("ICGS"), and further noted the High Court's comments in *Polo/ Lauren (HC)* at [33]:

The plaintiff's trade marks were registered under Class 25 of the ICGS and the defendant's products which are being complained of (mainly T-shirts) *would qualify to be registered in the same class, as evidenced by their attempted registration*. This being the case, *it is not necessary for the court to engage in the test set down in British Sugar...* The test in that case was employed because the defendant's product would not have been registered in the same class as the plaintiff's and thus there was a need to decide if it was similar enough to the plaintiff's product. It would be a very rare case, if ever, that a defendant could claim that its products, if listed in the same classification as the plaintiff's, were not similar." (emphasis added)

101 The above approach may work in some classes of the ICGS, but there are limitations such that it should not be construed as a blanket rule that all goods / services in the same class are similar. Some classes comprise very diverse goods, and it would not appear to a reasonable-minded consumer that all the goods within that

class are similar. Examples include Class 3 (bleach for laundry use versus perfume), Class 5 (dental wax versus fungicides), Class 8 (cutlery versus razors), Class 9 (cash registers versus punched card office machines versus fire-extinguishing apparatus), Class 26 (buttons versus artificial flowers), Class 29 (fish versus jam), Class 30 (rice versus ice), Class 31 (live animals versus raw woods), Class 44 (medical services versus forestry services) and Class 45 (legal services versus social escort services versus funeral services).

102 Where it is not clear that the goods involved are similar (the ICGS classification being a preliminary factor to ascertain whether they are), it is helpful to refer to the set of guidelines in *British Sugar* at [296], namely:

- (a) The respective uses of the respective goods;
- (b) The respective users of the respective goods;
- (c) The physical nature of the goods;
- (d) The respective trade channels through which the goods reach the market;
- (e) 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 likely to be found on the same or different shelves; and
- (f) The extent to which the respective goods are competitive. This inquiry may take into account how those in trade classify goods, for instance whether market research companies, who of course act for industry, put the goods or services in the same or different sectors.

#### *Similarity of Goods: Analysis*

103 The limitation of the approach described above at [101] is not encountered in the present case, as Class 33 goods are essentially of the same nature, as expressed in the class heading "Alcoholic beverages (except beers)". That different types of alcoholic drinks are considered similar is also backed up by case precedents cited by the Opponents, such as *Balmoral Trade Mark* [1999] RPC 297 ("*Balmoral*") (whisky and wines), which incidentally applied the *British Sugar* guidelines.

104 In any case, an application of the *British Sugar* guidelines to the facts of the present case also supports a finding that rum and tequila are similar goods.

105 In terms of uses and users of the respective goods, rum and tequila are both used and enjoyed as alcoholic beverages by the same end users, consumers of alcohol.

106 As for the physical nature of the goods, both goods are in liquid form and are sold in glass bottles. Even if the tastes of rum and tequila may differ, it is noted that in *British Sugar*, which also pertained to food/beverage products, Jacob J was more concerned with the visual appearance of the products than their taste. Notably, at [297], Jacob J considered the two products and observed that "[t]heir physical nature is somewhat different, the Robertson product being hardly pourable and really needing spooning out of the jar whereas the British Sugar product is meant to be poured out of the small hole in the plastic top". Thus, in the present case, given their similarities in form, it may be said that the physical nature of rum and tequila is also similar.

107 With regard to trade channels and self-serve consumer items, both parties have applied the factor differently. The Opponents have applied this factor by comparing the goods – rum and tequila – in general whereas the Applicants contend that the comparison should be made between the specific products, namely the Applicants' rum and the Opponents' tequila.

108 The Opponents' approach is the correct one. The High Court in *Ferrero* at [86] opined that:

As a matter of law, in determining the similarity of goods, *the comparison is made not only with the actual product in use (viz the Plaintiff's sweet bread spread) but with the type of products for which the Plaintiff has registered its word mark "Nutella"*. In this case, the comparison has to be with the possible range of "chocolate products" *as used in the trade* and not only with the Plaintiff's sweet bread spread as such. (emphasis added)

109 I would add that the Applicants' approach is also relevant in principle, not here, but in relation to the next element of likelihood of confusion where the specific surrounding circumstances of sale of the parties' goods come into play.

110 Thus, comparing rum and tequila generally here, I take into account the Opponents' evidence of rum and tequila being sold in the same liquor section of Cold Storage supermarket (Takashimaya outlet); alcoholic beverages containing rum and tequila being sold on the same shelf at 7-Eleven convenience store (Bukit Batok Central); and rum and tequila being sold on the same websites e.g. yeosliquor.com.sg and www.liquorbar.sg.

111 In *Balmoral*, much weight was placed on the channels of trade at [302]:

*It is common to find whisky and wines bought and sold by merchants whose customers expect them to stock and sell both kinds of products. Many such merchants like to be known for the range and quality of the products they sell. The goodwill they enjoy is affected by the judgment they exercise when deciding what to offer their customers. In some cases the exercise of judgment is backed by the use of "own brand" or "merchant-specific" labelling. Those who supply retail customers may be licensed to do so under an "off-licence" or a licence for "on and off sales" in appropriate circumstances. It is not unusual for resellers of whisky and wines to be suppliers of bar services as well. When the overall pattern of trade is considered in terms of the factors identified by Jacob J in the British Sugar case (uses, users and physical nature of the relevant goods and services; channels of distribution, positioning in retail outlets, competitive leanings and market segmentation) it seems clear to me that suppliers of wines should be regarded as trading in close proximity to suppliers of whisky and suppliers of bar services. In my view the degree of proximity is such that people in the market for those goods or services would readily accept a suggestion to the effect that a supplier of whisky or bar services was also engaged in the business of supplying wines.* (emphasis added)

112 It would thus be reasonable to conclude that rum and tequila are sold through the same or similar trade channels. They can also be self-serve consumer items which are likely to be found on the same shelves or same section of shelves at retail outlets.

113 With reference to the last factor on the extent to which the respective goods are competitive, the Opponents' evidence suggests that while rum and tequila are sometimes competitive, they may also be complementary. Based on the recipes of cocktails and food adduced by the Opponents in evidence, it may be observed that rum and tequila are sometimes used interchangeably (for example in jell-o-shots), suggesting that the goods are competitive substitutes. At the same time, however, there are also recipes which require the use of both rum and tequila (for example teek mai tai and long island iced tea), which suggests that the goods are, as the Applicants assert, complementary. This factor is indeterminate in the present case and does not tilt the balance in favour of any party in particular.

114 In sum, I am of the view that rum and tequila are similar goods. The same conclusion is reached whether by reference to the classification of rum and tequila under the ICGS or by application of the *British Sugar* guidelines.

#### *Likelihood of Confusion: Principles*

115 Applying the three-step test in *Polo/Lauren*, with reference to [58] above, if either the similarity of marks or similarity of goods, or both, are not made out by the Opponents, there is no need to proceed to the third step of determining likelihood of confusion. Earlier, I have found that Trade Mark Nos. T0808231J and T0808233G are not similar to the Opponents' Mark. Hence, the following analysis does not apply to these applications. I will confine my consideration under this step to the Applicants' Trade Mark No. T0811207D "ZACAPA CENTENARIO", which was found similar to the Opponents' Mark.

116 The guiding principles pertaining to likelihood of confusion are succinctly summarised by the High Court in *Ferrero* at [92] to [100]. The test for likelihood of confusion is "*whether a substantial portion of the relevant public will be confused*". The three different aspects of this test are (a) the meaning and nature of the "confusion" required; (b) the meaning and nature of the "relevant public"; and (c) the requirement of a "substantial portion" of the relevant public being confused.

117 Addressing these three issues, the High Court in *Ferrero* stated at [93] to [96] as follows:

93 With regard to the meaning and nature of the "confusion" required, the Court of Appeal in *City Chain* noted that in determining confusion, one should be cognisant of the risk that the public might believe that the goods come from the *same source* or *economically-linked* sources (see *City Chain* at [52]). In other words, the relevant confusion is not limited to the "classic confusion" scenario where consumers believe that the goods or services emanate from a particular origin (when they in fact come from another origin). There is instead a "broader" kind of confusion stemming from the consumer's (incorrect) assumption of some kind of economic connection between the users of the

marks (*eg* that the goods are being provided by a subsidiary or licensee of the trade mark proprietor) (see *Bently & Sherman* at p 872).

94 It should further be noted that, by virtue of the wording of s 27(2) of the TMA, the likelihood of confusion must arise *because* of the similarities in the respective marks and goods concerned. It is insufficient that the confusion arises for *any other reason*. For instance, it would clearly not be sufficient if a member of the public appears confused as to the origin of the “Nutello” drink, such confusion stemming from his incapability of understanding the survey questions directed at him (*eg* his inability to understand what it means to “produce” a drink, or to “licence / authorise” a drink, *etc*). This has important implications on the framing of survey questions, and will be dealt with in greater detail at [136] *et seq*.

95 With regard to the meaning and nature of the “relevant public”, it is trite that the issue of likelihood of confusion is to be determined by reference to average consumers of the goods and services in question. Such consumers are reasonably well-informed, reasonably observant and circumspect, and will exercise ordinary care and intelligence. They are also literate, educated, “constantly exposed to the world, either through travel or media” and are unlikely to be “easily deceived or hoodwinked” (*McDonald’s Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 at [64]).

96 With regard to the requirement that a “substantial portion” of the relevant public must be confused, it is insufficient that only a “single member of the public”, or “a very small unobservant section of society”, or “a moron in a hurry”, would be confused (*Mobil Petroleum Co Inc v Hyundai Mobis* [2010] 1 SLR 512 (“*Mobil (CA)*”) at [79], citing *Tong Guan Food Products Pte Ltd v Hoe Huat Hng Foodstuff Pte Ltd* [1991] 1 SLR(R) 903 (“*Tong Guan*”) at [24]). The degree of confusion must be taken above a “*de minimis* level”, and while there does not have to be a “majority” of the relevant public that is confused, there must be a “not insubstantial number” (*Mobil (CA)* at [77]-[78]).

118 It is also useful to set out the other principles relevant to the test for likelihood of confusion, as enunciated by the High Court in *Ferrero* at [97] to [100]:

97 I turn now to other relevant principles *vis-à-vis* the test for likelihood of confusion. First, it is now well-settled that the issue of likelihood of confusion is to be addressed *globally*, taking into account all the circumstances of the case. This would include, *inter alia*, the closeness of the goods, the impression given by the marks, the possibility of imperfect recollection and the risk that the public might believe that the goods come from the same source or economically-linked sources (*City Chain* at [52], *Polo (CA)* at [28]).

98 Second, following from the phrasing of s 27(2)(b) of the TMA, the requirement of confusion is not automatically made out just because the marks and the respective goods on which they are used are similar (*Polo (CA)* at [25]). In other words, there is *no presumption* that confusion arises where the marks and goods are similar (*Polo (CA)* at [8]). However, it is also clear from s 27(2)(b) that the likelihood of confusion which is relevant is the likelihood of

confusion which is *caused* by the similarity of the respective marks and goods to each other. Accordingly, it stands to reason that where there is *greater similarity* in the marks and the goods, it would be easier to find a likelihood of confusion (*Mobil (CA)*); *Future Enterprises (HC)* at [22]). For the same reason, where the earlier mark is *distinctive*, it is more likely that a court would find that a likelihood of confusion exists (see *Sabel BV v Puma AG, Rudolf Dassler Sport* [1998] RPC 199 at 224).

99 Third, it should be noted that steps taken by the alleged infringer to differentiate his goods from those of the registered proprietor are also relevant (*City Chain* at [53], *Polo (CA)* at [28]). Where the alleged infringer has taken pains to distinguish his products from those of the registered proprietor, the likelihood of confusion may turn out to be “merely hypothetical or speculative” (*City Chain* at [53], citing *Polo (HC)* at [21]).

100 Finally, the “mere association” of the public between the two marks based on their similar use is not *in itself* a sufficient basis for concluding that there is a likelihood of confusion in the absence of any possibility of misapprehension as to the *origin* of the goods or services (*City Chain* at [58]). I emphasise that this holding is *not inconsistent* with the point made in [93] above with regard to the “broader” kind of confusion stemming from the consumer’s (incorrect) assumption of some kind of economic connection between the users of the marks. The “economic connection” point relates to the *origin* of the goods or services, *viz*, the (erroneous) belief that the goods are originating from a licensee of the registered proprietor’s goods. This must be contrasted with the “mere association” point, which relates to – as the phrase itself suggests – a *mere* association, without any confusion as to *origin*.

119 Thus, it is clear that just because the first two elements of Section 8(2)(b) have been made out, that there is some similarity of marks and goods, it does not necessarily follow as a matter of presumption that there is a likelihood of confusion. In [98] of the *Ferrero* decision, not only is there no such presumption, the likelihood of confusion that is relevant is only that “*caused by the similarity of the respective marks and goods to each other. Accordingly, it stands to reason that where there is greater similarity in the marks and the goods, it would be easier to find a likelihood of confusion*”.

120 In the present case, the degree of similarity between the marks and goods is moderate. From this starting point, we must embark on a global consideration of all the relevant circumstances to determine whether there is a likelihood of confusion.

#### *Likelihood of Confusion: Analysis*

121 The Court of Appeal in *Polo/Lauren* at [28] identifies some relevant factors germane to an analysis of the likelihood of confusion as follows:

the question of likelihood of confusion has to be looked at globally taking into account all the circumstances including the closeness of the goods, the impression given by the marks, the possibility of imperfect recollection and the risk that the public might believe that the goods come from the same source or

economically-linked sources... Steps taken by the defendant to differentiate his goods from those of the registered proprietor are also pertinent... So also is the kind of customer who would be likely to buy the goods.

122 It is regrettable that both parties have not adduced substantial Singapore-specific evidence of use or promotion of their respective goods. The Opponents only have a single invoice dated 26 November 2008 for the sale of, among other goods, 20 units of "GRAN CENTENARIO PLATA" and 20 units of "GRAN CENTENARIO REPOSADO" tequila in evidence. There is no evidence on how the Opponents' Mark is actually used in Singapore. The Applicants' evidence also does not disclose that "ZACAPA CENTENARIO" is used or promoted in Singapore. Nevertheless, I now consider the factors in *Polo/Lauren* in turn.

(i) *Closeness of the Goods*

123 The goods, rum and tequila, have been found similar above. While they are both alcoholic beverages and similar on this level, there are also significant differences between the drinks, which are apparent to the trade and purchasing public.

124 Rum and tequila are derived from sugar cane and blue agave respectively, and each has its unique taste. Alcoholic preferences are personal and subjective. Thus, I do not think that rum and tequila are so closely similar that it contributes to a finding of likelihood of confusion.

(ii) *Impression Given By the Marks*

125 Under this heading, I consider the distinctiveness of the Opponents' Mark "GRAN CENTENARIO" and the degree of similarity between "ZACAPA CENTENARIO" and the Opponents' Mark. The higher the degree of distinctiveness and similarity, the more the balance shifts towards a likelihood of confusion.

126 I have found at [74] above that the Opponents' Mark is moderately distinctive. There are also moderate visual and conceptual similarities between "ZACAPA CENTENARIO" and "GRAN CENTENARIO".

127 Overall, the degree of distinctiveness of the Opponents' Mark and the degree of similarity between the marks is not so high as to clearly favour a finding of likelihood of confusion. Neither does it tend against such finding. It is a neutral factor, as is the previous factor.

(iii) *Possibility of Imperfect Recollection*

128 The factor of imperfect recollection is closely aligned with the degree of similarity of the marks, not only as registered (or sought to be registered) but also in use since all surrounding circumstances can be taken into account. There is no evidence showing how the respective marks are used in Singapore, if at all. However, from the evidence showing how these same marks are used in other parts of the world, it can be seen that "ZACAPA CENTENARIO" and "GRAN CENTENARIO" are used on bottle labels with different vivid visual design elements. These trade marks do not simply appear on their respective rum and tequila bottles as plain words in

block letters. There is different stylisation in terms of font and font size, borders, drawings and so on. The Applicants' "ZACAPA CENTENARIO" rum, in their latest incarnation, shows the mark in use as "Ron Zacapa Centenario" on the bottle with one word on each line. "Zacapa" has the largest font size, followed by "Ron" above it, and "Centenario" at the bottom is much smaller than both words above. The mark is used with a tri-flower device to the right of the word "Ron", above the word "Zacapa". The Opponents' "GRAN CENTENARIO" is used with a prominent sub-brand, such as "ROSANGEL", "PLATA" and "ANEJO" and different depictions of angels for each sub-brand. In fact, the awards garnered by the Opponents' "GRAN CENTENARIO" tequila are all specific to their sub-brands (see [30] above). The words "GRAN", "CENTENARIO" and "ROSANGEL" (or other sub-brands) appear in three lines, with "CENTENARIO" having the largest font size and thickest font, such that this element stands out the most, followed by the sub-brand, and lastly "GRAN" in the smallest font size.

129 The upshot of this is that there is obviously a different, concerted branding effort behind the parties' respective trade marks (albeit outside Singapore, since there is no relevant evidence for Singapore). Thus, the possibility of imperfect recollection is somewhat, though not fully, mitigated.

*(iv) Risk that the Public Might Believe the Goods Come From the Same or Economically-linked Sources*

130 There is no evidence of rum manufacturers also producing tequila and *vice versa*. However, theoretically at least, it is possible for an enterprising business from having both rum and tequila manufacturers under its fold, and managing operations across countries. In the absence of evidence from either party, a consideration along these lines does not favour either party strongly.

131 Still, as observed above, in actual use outside Singapore, "ZACAPA CENTENARIO" and "GRAN CENTENARIO" are presented quite differently. If, as the Opponents claim that when the public sees the word "CENTENARIO" on the Applicant's rum, they will be confused that it originates from the Opponents who produce "GRAN CENTENARIO" tequila, then it is curious that the treatment of the common element "CENTENARIO" in relation to rum and tequila is so different, as if they emanated from two different undertakings. It would be more reasonable to expect that the same or economically-linked sources would leverage on the dominance of "CENTENARIO" in all the products under its umbrella and present this element consistently across product lines like rum and tequila. The branding would be more consistent if "ZACAPA CENTENARIO" rum and "GRAN CENTENARIO" tequila had a common or economically-linked origin.

132 Assuming the fair and normal use of the marks in Singapore in like manner as overseas, the risk that the public might believe "ZACAPA CENTENARIO" rum and "GRAN CENTENARIO" tequila come from the same or economically-linked sources is not high.

*(v) Steps Taken to Differentiate*

133 There is no evidence that the Applicants have taken conscious steps to differentiate "ZACAPA CENTENARIO" from "GRAN CENTENARIO". However, the Applicants' position has been that their mark is different from the Opponents' Mark in the first place. As observed under the factor of imperfect recollection, there is significant differentiation in the evidence of use of the respective marks on rum and tequila outside Singapore.

134 Assuming the fair and normal use of the marks in Singapore in like manner as overseas, I would be reasonably satisfied that this factor shifts the balance slightly in the Applicants' favour.

(vi) *Kind of Customer Likely to Buy the Goods*

135 This is the most important factor in the present case in that it clearly shifts the balance in one party's favour.

136 As set out at [117] above, the High Court in *Ferrero* at [95] unequivocally acknowledged that *"the issue of likelihood of confusion is to be determined by reference to average consumers of the goods and services in question. Such consumers are reasonably well-informed, reasonably observant and circumspect, and will exercise ordinary care and intelligence. They are also literate, educated, "constantly exposed to the world, either through travel or media" and are unlikely to be "easily deceived or hoodwinked".*

137 The IPOS decision in *Stichting Lodestar v Austin Nichols & Co Inc.* [2006] SGIPOS 11 is instructive, as the goods involved were alcoholic beverages in Class 33. At [58] of the IPOS decision, the PAR opined that:

Consumers who buy alcoholic beverages, whether or not for personal consumption, will be discerning in their selection of goods. The price of these goods plays a part in determining how discerning the consumer is. The evidence of sales lodged by the Opponents indicates that the price per 750ml bottle of their alcoholic beverage is approximately SGD24 (using the latest year 2001 figures). Although the Applicants have not indicated the price of their goods, the exhibit of the "WILD GEESE" rare Irish Whiskey which was lodged by the Opponents' in John. R Conway's statutory declaration indicates that the price a "WILD GEESE" whiskey is £27.99 (which is approximately SGD81 using a conversion rate of £1 = SGD 2.9) *The consumer will therefore exercise considerably more care and intelligence when purchasing alcoholic beverages as these goods are not cheap consumerables that are bought without much thought.* (emphasis added)

138 In the present case, there is no evidence of use of Trade Mark No. T0811207D in Singapore, let alone evidence of the prices at which the Applicants' rum under "ZACAPA CENTENARIO" is sold in Singapore. As for the Opponents, their sole invoice adduced in evidence shows that the unit business-to-business price is US\$88 for "Gran Centenario Plata" and US\$95 for "Gran Centenario Reposado" in that particular transaction, but there is no information on retail prices. Based on these prices, I would be slow to find that the goods are "*cheap consumerables*".

139 I also refer to the Opponents' evidence of photographs showing the sale of rum, tequila and alcoholic beverages containing tequila (not the parties') in the liquor section of a Cold Storage supermarket and a 7-Eleven convenience store, as well as evidence showing such sale on the internet. The indicative prices fall within a range. The lowest end are the series of "8.4" alcoholic beverages containing tequila at 7-Eleven including "Lemon Twist Tequila" and "Peach Fusion Rum" selling at S\$6.50 and S\$6.00 respectively. The low price is understandable, given that it is not tequila *per se* being sold, but carbonated alcoholic beverages containing a small percentage of tequila. The highest end from the evidence is actual tequila "Gran Proton Silver Tequila" retailing at S\$588.00 at [www.eurohitechsystem.com.sg](http://www.eurohitechsystem.com.sg). The other rum and tequila is shown in the evidence to retail within a narrower range between S\$46.95 and S\$70.60 per bottle.

140 In light of the evidence, I am persuaded that rum and tequila "*are not cheap consumerables that are bought without much thought*". As such, the "*reasonably well-informed, reasonably observant and circumspect*" consumer will "*exercise considerably more care and intelligence*" when purchasing these goods, even if they are sold off the shelves. With regard to the purchasing trade, namely businesses such as nightspots, bars and pubs who stock up on alcoholic beverages, the likelihood of confusion is even lower as these businesses can be expected to know the in's and out's of the trade, watch their bottom line and have a business reputation to maintain. They are not likely to make hasty purchasing decisions but will consider the nature, quality and cost of their intended purchases.

(vii) *Conclusion on Likelihood of Confusion*

141 Overall, taking into account the surrounding circumstances, I do not think there is a reasonable likelihood of confusion that "ZACAPA CENTENARIO" rum emanates from the same or economically-linked source as "GRAN CENTENARIO" tequila.

*Conclusion*

142 The ground of opposition under Section 8(2)(b) therefore fails.

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

143 The Opponents rely on this ground of opposition only in respect of Trade Mark Nos. T0808231J and T0808233G and not Trade Mark No. T0811207D.

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

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

***Opponents' Submissions***

145 The Opponents submit that they have goodwill in their business in Singapore through the use of "GRAN CENTENARIO" since at least 26 November 2008, as evidenced by the invoice to Genco Holdings Pte Ltd for the sale of the Opponents' tequila.

146 Further, the Opponents submit that the misrepresentation here is the use of Trade Mark Nos. T0808231J and T0808233G by the Applicants, which are similar to the Opponent's Mark and may accordingly confuse and/or deceive the public into believing that the goods offered by the Applicants originate from the Opponents and/or are related/associated with the Opponents.

147 Lastly, with regard to the element of damage, the Opponents' argument is that there is a real likelihood of damage to them because the Applicants are trading in the same line of business as the Opponents. There can be no doubt that the Opponents will suffer losses in trade and profit if the public is confused about the origin of the Applicants' goods and purchase the Applicants' goods thinking that they originate from and/or are related/associated with the Opponents.

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

148 The Applicants deny that the Opponents have any goodwill in Singapore based on the evidence. The Applicants submit that the respective marks are different and distinguishable such that there is no misrepresentation. For the same reason, the Applicants deny that there is any damage.

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

149 The test for passing off is mostly uncontroversial and the High Court in *Ferrero* sets out the elements to be established at [193] as follows:

To succeed in an action for passing off, the Plaintiff must establish the following elements of the "classical trinity" (*Amanresorts* at [36]-[37], citing *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 ("*CDL Hotels*") at [86]):

(a) First, that the plaintiff has goodwill attached to the goods which he supplies in the mind of the purchasing public by association with the identifying "get-up" (including, *inter alia*, brand names) under which his particular goods are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff's goods (hereinafter, referred to as the element of "goodwill").

(b) Second, that the defendant has made a misrepresentation to the public (whether intentional or otherwise) leading or likely to lead the public to believe that goods offered by the defendant are those of the plaintiff (hereinafter, referred to as the element of "confusing misrepresentation"); and

(c) Third, that the plaintiff suffers, or is likely to suffer, damage by reason of the erroneous belief engendered by the defendant's misrepresentation (hereinafter, referred to as the element of "damage").

150 I will examine these requisite elements in turn.

*Goodwill*

151 The Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 ("*Amanresorts*") at [39] lyrically describes goodwill as follows:

Like that other great force of attraction which we call "love", "goodwill" is ephemeral and hard to define. 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).

152 In support of their claim to goodwill in Singapore, the Opponents rely on an invoice dated 26 November 2008 evidencing a sale to Genco Holdings Pte Ltd. Besides this, the Opponents have also adduced in evidence copies of advertisements and articles from internationally distributed periodicals / magazines showing the use of their "GRAN CENTENARIO" marks; and cite the multiple accolades (e.g. in San Francisco and Mexico) garnered by various sub-brands under the Opponents' "GRAN CENTENARIO" tequila. However, it is trite that in establishing goodwill, it must be shown that such goodwill is present *in Singapore*. Consequently, as there is no evidence of the advertising and promotion materials being circulated in Singapore, or the contents thereof being known to the Singapore public, these materials do not assist in establishing goodwill.

153 Turning to the sole item of evidence of use in Singapore, I note that although the total invoice amounts to US\$61,725.00, the breakdown of sales indicates that only 40 units of the Opponents' "GRAN CENTENARIO" tequila amounting to US\$3,650.00 were sold to Genco Holdings Pte Ltd in Singapore on 26 November 2008. The single sale of 40 units of tequila at an average unit price of US\$91.50 is rather weak evidence (though I would still give it some weight) in terms of indicating sufficient proliferation of the Opponents' goods in the Singapore market for the trade or public to associate "GRAN CENTENARIO" tequila with the Opponents, or that "GRAN CENTENARIO" is an "*attractive force which brings in custom*". Further, the

date of the invoice, 26 November 2008, is later in time than the application date of Trade Mark Nos. T0808231J and T0808233G, which is 20 June 2008. Hence, even if one assumes that goodwill is established as on 26 November 2008, it is not shown to precede the application date of the opposed trade mark applications.

154 In light of the foregoing, I find that the Opponents have not made out the element of goodwill in Singapore.

#### *Misrepresentation*

155 As for the second element of misrepresentation, I have earlier found under Section 8(2)(b) that there is no confusing similarity between Trade Mark No. T0811207D and the Opponents' Mark. All the more, in respect of the design marks Trade Mark Nos. T0808231J and T0808233G which were not even found to be similar to the Opponents' Mark, in light of similar considerations and applying similar reasoning, I find that there is no misrepresentation by the Applicants leading or likely to lead the public to believe that the goods offered by them are the goods of the Opponents.

#### *Damage*

156 It further follows that as the Opponents have not established both goodwill and misrepresentation, the element of damage is not made out.

#### *Conclusion*

157 The ground of opposition under Section 8(7)(a) therefore fails.

#### **Ground of Opposition under Section 8(4)(i)**

158 The Opponents rely on this ground of opposition only in respect of Trade Mark Nos. T0808231J and T0808233G and not Trade Mark No. T0811207D.

159 Section 8(4) of the Act reads:

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

- (a) the earlier trade mark is well known in Singapore; and
- (b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —
  - (i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; or
  - (ii) if the earlier trade mark is well known to the public at large in Singapore—
    - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
    - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

Section 2(1) defines “earlier trade mark” as:

- (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

Section 2(1) defines “well known trade mark” as:

- (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

Sections 2(7) to (9) are pertinent to a consideration of whether a trade mark is well known in Singapore. They are set out below:

- (7) 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.

(8) 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.

(9) In subsections (7) and (8), "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.

### ***Opponents' Submissions***

160 The Opponents submit under Section 2(7)(a) read with Section 2(9)(a) that by the time the applications for registration of Applicants' Trade Mark Nos. T0808231J and T0808233G were made on 20 June 2008, "GRAN CENTENARIO" is already well known to the actual and potential consumers of alcoholic beverages in Singapore based on the evidence adduced. Further and/or in the alternative, the Opponents claim that "GRAN CENTENARIO" is well known based on the guidelines in Sections 2(7)(b) to (e).

161 To this end, the Opponents rely on the use and promotion of their mark in advertisements (see [29] above) and awards (see [30] above). In addition, they also furnished evidence to show that "GRAN CENTENARIO" has been registered in many countries, a sample being listed at [27] above.

162 With regard to the use of the mark in Singapore specifically, the Opponents submit that their mark has been used in Singapore at least since 26 November 2008, as evidenced by an invoice to Genco Holdings.

163 As for the element of a damaging connection, the Opponents cite *Amanresorts* for the proposition that the test to be applied would yield the same results as those obtained from applying the corresponding tests in relation to passing off.

164 The Opponents submit that such a damaging connection does exist. They submit that the Applicants have made a representation to the actual and potential consumers of the Opponents' goods and there is a likelihood that that section of the public will be misled into thinking that the Applicants' goods originate from the Opponents or there is some connection between the two parties. Consequently, there is a real likelihood of damage to them.

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

165 The Applicants contend that the Opponents have not produced any evidence that the Opponents' Mark is well known by anyone nor the relevant sector of the public in Singapore. The Opponents did not produce any turnover figures or expenditure figures. Further, the only evidence suggesting that the mark "GRAN CENTENARIO" has been used in Singapore is the invoice dated 26 November 2008, which involves a miniscule amount.

166 Finally, the Applicants submit that none of the internet articles exhibited in the Opponents' statutory declarations originates from Singapore or is relevant to Singapore. The awards for the Opponents' tequila also do not have any relevance to Singapore or the surrounding region.

*Decision on Section 8(4)(i)*

167 To succeed under this ground, the Opponents must establish the following:

- (a) the Opponents' Mark is an earlier trade mark as defined by the Act;
- (b) the Opponents' Mark is well known in Singapore;
- (c) the whole or an essential part of Trade Mark Nos. T0808231J and T0808233G is identical with or similar to the Opponents' Mark; and
- (d) the use of Trade Mark Nos. T0808231J and T0808233G in relation to the goods for which the marks are sought to be registered would indicate a connection between those goods and the Opponents, and is likely to damage the interests of the Opponents.

*Whether the Opponents' Mark is an Earlier Trade Mark*

168 As decided at [68] above, the Opponents' Mark is an "earlier trade mark" under the Act.

*Whether the Opponents' Mark is Well Known in Singapore*

169 Section 8(5) of the Act provides that:

A trade mark shall not be refused registration by virtue of subsection (4) if the application for the registration of the trade mark was filed before the earlier trade mark became well known in Singapore, unless it is shown that the application was made in bad faith.

170 Thus, for the Opponents to succeed under Section 8(4)(b)(i), besides showing that their mark is well known in Singapore, they must also show that their mark became well known in Singapore before Trade Mark Nos. T0808231J and T0808233G were filed, *i.e.* before 20 June 2008.

171 The deeming and definition provisions in Sections 2(8) and (9) are relevant here, as they make clear that the earlier trade mark does not have to be well known to every person in Singapore in order to be found well known. The mark may be well known to the relevant sector of the public, which is then defined in Section 2(9)(a).

172 In relation to section 2(8) of the Act, which deems a mark well known in Singapore if it is known to any relevant sector of the public in Singapore, the Court of Appeal in *Amanresorts* emphasizes at [149]:

... the deeming provision in s 2(8) still requires the trade mark in question to be "*well known*" [emphasis added] to the relevant sector of the public in Singapore ... there are different degrees of public knowledge of a trade mark, and the requisite level of knowledge required under Singapore's legislation

tends towards the higher end of the scale: ... the trade mark concerned must be more than merely "known" to the relevant sector of the public in Singapore.

173 Nevertheless, the Court of Appeal also observed at [229] that:

... it is not too difficult for a trade mark to be regarded as "well known in Singapore" – essentially, the trade mark in question need only be recognised or known by "any relevant sector of the public in Singapore"... which sector could in certain cases be miniscule. (emphasis added)

174 The Court of Appeal in *Amanresorts* at [154] makes clear that the phrase in Section 2(9)(a) "all actual consumers and potential consumers in Singapore of the goods or services to which the trade mark is applied" is correctly interpreted as the actual and/or potential consumers of the goods and services of the proprietor of the earlier well known mark, *i.e.* the actual and/or potential consumers of the Opponents' "GRAN CENTENARIO" tequila. I belabour this point because the Opponents in their submissions appear to have reached a different conclusion based on the foregoing, which is that the relevant sector of the public comprises the actual and/or potential consumers of *alcoholic beverages*. From the evidence, it is not clear whether the Opponents' "GRAN CENTENARIO" tequila has actually been sold to the end-user consumer in Singapore; and if these goods are not even available in Singapore except for the one instance of import shown by the invoice to Genco Holdings Pte Ltd dated 26 November 2008, the actual and/or potential consumers of the Opponents' "GRAN CENTENARIO" tequila would be in question indeed.

175 In fact, I will now deal with the invoice and the use of the Opponents' Mark in Singapore, before turning my attention to other non-use guidelines for finding a mark well known in Sections 2(7)(b) to (e). I have made my observations on this item of evidence at [153] to [154] above, concluding that the Opponents have not established goodwill in Singapore. It is not necessary for a mark to have goodwill in Singapore to be well known, see Section 2(1) definition of "well known trade mark". Since, however, the Opponents rely on this single invoice indicating that 40 units of the Opponents' "GRAN CENTENARIO" tequila amounting to US\$3,650.00 were sold to Genco Holdings Pte Ltd on 26 November 2008 in support of their contention that "GRAN CENTENARIO" is well known in Singapore, one must be hard pressed to infer this quality against earlier reservations whether the same sale is sufficient to prove goodwill. In any case, the invoice is later in time than the application date of Trade Mark Nos. T0808231J and T0808233G, 20 June 2008. It therefore does not support a finding that the Opponents' Mark is well known in Singapore before 20 June 2008.

176 I now apply my mind to the non-use factors in Sections 2(7)(b) to (e).

177 To support their claim that their mark is well known, the Opponents rely on (i) evidence of trade mark registrations of its "GRAND CENTENARIO" trade marks in Singapore and worldwide; (ii) the claim that the first use of its trade mark worldwide was at the end of the 19<sup>th</sup> century; (iii) the claim that the first use of its "GRAN CENTENARIO" mark in Singapore was since at least November 2008; (iv) the claim of extensive annual costs of promoting and advertising the Opponents' goods bearing

its "GRAN CENTENARIO" goods; and (v) numerous awards received for the various "GRAN CENTENARIO" tequila.

178 With reference to Section 2(7)(b), the duration, extent and geographical area of any use or promotion of the Opponents' Mark are relevant. The Opponents' evidence shows some promotion and recognition of the mark in several parts of the United States and Mexico. Some examples indicating the geographical reach of these publications are articles in The New York Times and in Business Mexico, and articles titled "Gran Centenario's Rosangel Launch NYC" and "Jose Cuervo International Brands Shine at Sixth Annual San Francisco World Spirits Competition". There is no evidence that such publicity has reached Singapore consumers, however. The Opponents' claims of extensive advertising costs in relation to the mark are bare assertions, unsubstantiated by documentary evidence.

179 Section 2(7)(c) makes clear that the worldwide trade mark applications and registrations of the Opponents' Mark are also relevant. However, these alone do not render a mark well known in Singapore.

180 I also note the remaining "claims to fame" cited by the Opponents at [177] above. Accepting that the first use of "GRAN CENTENARIO" worldwide was at the end of the 19<sup>th</sup> century and that numerous awards have been bestowed on the various "GRAN CENTENARIO" tequila (which may reflect the value associated with the Opponents' Mark, according to Section 2(7)(e)), and taking the rest of the Opponents' evidence in totality, what does this mean to the purchasing public in Singapore?

181 As the Court of Appeal in *Amanresorts* put it at [149], "*the trade mark concerned must be more than merely 'known' to the relevant sector of the public in Singapore*". In this case, the evidence does not show that the Opponents' Mark is "known", let alone "well known" to the relevant sector of the public in Singapore.

182 I can only conclude that that there is insufficient evidence to find the Opponents' Mark well known to the relevant sector of the public in Singapore, or that it is otherwise well known in Singapore. The Opponents had the burden of proof and did not discharge it on a balance of probabilities.

#### *Confusing Connection*

183 Even if indeed the Opponents' Mark is well known in Singapore, the remaining elements of Section 8(4)(i) are still not made out.

184 Section 8(4)(i) requires that the use of Trade Mark Nos. T0808231J and T0808233G indicates a connection between those goods or services and the proprietor of the earlier trade mark. In respect of this, the Court of Appeal decisions in *Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 at [94] to [95] and in *Amanresorts* at [226] to [227] make clear that such "connection" must be a confusing sort of connection.

185 The issues of similarity of marks and attendant confusion have been considered in detail under Section 8(2)(a) and similar considerations apply here. I have found that Trade Mark Nos. T0808231J and T0808233G are not similar to the Opponents'

Mark. Here, I further find that the whole or an essential part of Trade Mark Nos. T0808231J and T0808233G is neither identical with nor similar to the Opponents' Mark. As I have found no reasonable likelihood of confusion under Section 8(2)(a) in respect of the plain word mark "ZACAPA CENTENARIO", all the more, in respect of the design marks Trade Mark Nos. T0808231J and T0808233G which were not even found to be similar to the Opponents' Mark, I find that the use of Trade Mark Nos. T0808231J and T0808233G on the goods claimed does not indicate a confusing connection between those goods and the Opponents.

*Damage*

186 It follows that the use of Trade Mark Nos. T0808231J and T0808233G on the goods claimed is not likely to damage the interests of the proprietor of the earlier trade mark.

*Conclusion*

187 The ground of opposition under Section 8(4)(i) therefore fails.

**Conclusion**

188 Having considered all the pleadings, evidence and submissions made in writing and orally, I find that the opposition fails on all grounds. Accordingly, the Application Marks shall proceed to registration. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 16<sup>th</sup> day of February 2012

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See Tho Sok Yee

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore