

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

Trade Mark Application No. T0623268D
31 January 2012

IN THE MATTER OF TRADE MARK APPLICATION BY

MATSUDA & CO.

AND

OPPOSITION THERETO BY

VALENTINO S.P.A.

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

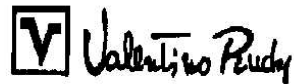
Mr Lee Shy Tsong and Mr Chua Shang Li (Donaldson & Bukinshaw) for the
Applicants

Mr Ponnampalam Sivakumar (Joseph Lopez & Co.) for the Opponents

Cur Adv Vult

GROUND OF DECISION

1 This is an opposition to the registration of the trade mark T0623268D (“the Application Mark”):



for "cosmetics" in Class 3.

2 The Applicants are Matsuda & Co. ("the Applicants") and the Opponents are Valentino S.p.A. ("the Opponents").

3 The Application Mark was accepted and published on 5 April 2007 for opposition purposes. The Opponents opposed this application on 5 June 2007. The Applicants filed their Counter-Statement on 3 October 2007.

4 The Opponents filed evidence in support of the opposition on 11 August 2008. The Applicants filed evidence in support of the application on 2 March 2010. Evidence in reply was filed by the Opponents on 11 July 2011. The Pre-Hearing Review was conducted on 29 July 2011, after which the opposition was heard on 31 January 2012.

Grounds of Opposition

5 The Opponents relied on various grounds in their Notice of Opposition. However, at the hearing, the Opponents confirmed that they are only proceeding on Section 8(2)(b) and Section 7(6) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("the Act").

Opponents' Evidence

6 The Opponents' evidence comprises of a Statutory Declaration made by Ms Antonella Andrioli, Proxy Holder of the Opponents on 1 July 2008 in Milan ("Opponents' 1st SD"), as well as a Statutory Declaration in Reply made by the same deponent on 28 June 2011 in Milan ("Opponents' 2nd SD").

Applicants' Evidence

7 The Applicants' evidence comprises of a Statutory Declaration made by Mrs Itoko Matsuda, President of the Applicants, on 18 January 2010 in Japan ("Applicants' SD").

Applicable Law and Burden of Proof

8 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.

9 The Singapore Court of Appeal in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] SGCA 14 ("*Valentino*") at [21] stated that:

It is in line with common sense and logic that he who asserts must prove although, depending on the evidence tendered, the evidential burden could shift to the other side. The legal burden of proof required to substantiate a ground to oppose the registration of a trade mark remains throughout on the party making the application, and this would be the Appellant in the present case.

10 Further exposition of the above can be found in *Evidence, Advocacy and the Litigation Process* (LexisNexis, 2nd Ed, 2003) by Jeffrey Pinsler at pages 239 and 250:

The legal burden (the burden of proving a fact to the requisite standard of proof) always remains on the party who seeks to prove the fact. The evidential burden (the burden of adducing evidence to meet the standard of proof or to prevent the opposite party from meeting the standard of proof) may be on either party depending on the circumstances of the case... So, if the issue is whether there has been a breach, the plaintiff would have the legal burden to establish breach. The evidential burden would fall on him initially to adduce evidence of breach on a balance of probabilities. If he achieves this ... the burden shifts to the defendant to try at least to equalise the probabilities.

Background

11 The founder of the Applicants was the late husband of the Applicants' President, Mr Yasuhiro Matsuda. The Applicants deposed that the Application Mark comprises of the name of an Italian individual, Mr Valentino Rudy. It is the Applicants' evidence that Mr Matsuda and Mr Valentino Rudy were good friends and have had a business relationship dating back since the 1970s. Mr Valentino Rudy has since passed on.

12 The Applicants deposed that Mr Valentino Rudy had given the Applicants the right to use his name exclusively for an unlimited period in Japan, South Korea, Taiwan, Hong Kong, Philippines and Singapore. Further, upon the demise of Mr Valentino Rudy in 1997, his family members collectively signed a letter confirming the Applicants' right to continue to use the name "Valentino Rudy".

13 The Opponents and their authorised users jointly promote, market and/or use the marks, valentino, VALENTINO, valentino & V & Endless Belt Device, VALENTINO & V & Endless Belt Device, VALENTINO & V & Ellipse Device, VALENTINO COUTURE & V Device, valentine garavani & V & Endless Belt Device, valentino Miss V & V Device, VAL VALENTINO & V Device & City Scene Device, V & Endless Belt Device and V & Ellipse Device, VERY VALENTINO, R.E.D. VALENTINO, R.E.D. VALENTINO GARAVANI ("the Opponents' Valentino Marks") in relation to a wide range of goods and services in respect of the fashion industry.

14 The following are the sales figures in terms of sales of goods bearing the Opponents' Valentino Marks in Singapore.

Year	Amount (S\$) (approximate)
1990	18,400,125
1991	14,380,173
1992	16,588,876
1993	27,325,280
1994	30,509,276
1995	27,616,513
1996	35,227,256
1997	16,434,660
09/01 – 06/02	711,000
07/02 – 06/03	708,000
07/03 – 06/04	2,100,000
07/04 – 06/05	2,600,000

15 The annual advertising and promotional expenditure incurred in Singapore for goods bearing the Opponents' Valentino Marks are as follows:

Year	Amount (S\$)
1990	101,170.99
1991	93,485.40
1992	61,172.48
1993	35,241.48
1994	18,263.00
09/01 – 06/02	67,000
07/02 – 06/03	85,000
07/03 – 06/04	134,000
07/04 – 06/05	101,000
07/05 – 03/06	64,000

MAIN DECISION

Ground of Opposition under Section 7(6)

16 Section 7(6) of the Act reads:

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

Opponents' Submissions

17 The Opponents' argument in relation to this ground is that the Opponents have a prior and superior right in the Opponents' Valentino Marks. The Opponents further submitted that by virtue of the substantial goodwill and reputation of the Opponents' Valentino Marks prior to the Applicants' application, the Applicants cannot claim to be the proprietors of the Application Mark and thus are trying to misappropriate the Opponents' Valentino Marks.

18 The Opponents also submitted that while it is settled law that the burden lies with the Opponents in the present proceedings, where there is evidence that supports a *prima facie* case of bad faith then the evidential burden will shift to the Applicants. The Opponents submitted that the burden of proof even in respect of a bad faith allegation is on the balance of probabilities.

19 The Opponents submitted that the evidence tendered in the present opposition has shown a *prima facie* case of bad faith and thus has shifted the evidential burden to the Applicants who have failed to discharge the same.

20 The Opponents relied on the following instances to show that a *prima facie* case of bad faith has been made out as against the Applicants, that:

- (i) there was no *bona fide* intention to use the Application Mark in Singapore;
- (ii) there is no credible explanation as to the derivation of the Application Mark and that in all likelihood the Application Mark was copied from the Opponents' Valentino Marks;
- (iii) there is no credible evidence submitted that the consent of the person whose name the Applicants are purportedly using had consented to the registration and use of the Application Mark.

21 The Opponents submitted that it has been established in *Festina Lotus SA v Romanson Co Ltd* [2010] SGHC 200 ("*Festina*") that the lack of *bona fide* intention to use a mark may be an act of bad faith.

22 In the present matter the Applicants had made a sworn statement at paragraph 4 of the Applicants' SD that the Applicants had used the mark in Singapore in respect of goods applied for but that such sales had since been suspended due to the re-organisation of the Applicants' local agent/distributor. However, the Applicants have failed to tender any evidence of such use on "cosmetics" in Singapore despite the Opponents' challenge in paragraphs 5 & 6 of the Opponents' 2nd SD. Further, a review of the Applicants' evidence at Exhibit B shows that during the years 2004 – 2010, the Applicants have only made reference to "ladies wear" and "eye wear" for Singapore. There has been no mention of "cosmetics" for Singapore in the evidence despite "cosmetics" being referred to for Taiwan in the advertising materials for the same period.

23 The Opponents submitted that there has also been no evidence tendered by the Applicants as to when the Application Mark was first used on cosmetics generally and when the Application Mark was first used on cosmetics in Singapore. The Opponents submitted that on they have, on the other hand, shown evidence (page 702 and page 1013 of the Opponents' 1st SD) that first use for goods in class 3, in particular perfumes began in 1978. In addition, the Opponents submitted that they have also shown evidence of the fame of the Opponents' Valentino Marks and in particular, the designer Valentino Garavani, with whom the Opponents' Valentino Marks are associated.

24 The Opponents submitted that the failure to adduce the evidence of use as sworn to by the Applicants in paragraph 4 of the Applicants' SD and the Applicants'

evidence as filed showing no use, is *prima facie* evidence that the Applicants in fact had no *bona fide* intention to use the mark in Singapore and had in fact made a patently false statement of use in Singapore at paragraph 4 of the Applicants' SD.

25 The Opponents submitted that by virtue of the evidence, which shows an absence of use for the period 2004 – 2011, the evidential burden has shifted to the Applicants to show that it had a *bona fide* intention to use the mark when the application was filed on 1st November 2006. The Applicants have not filed any evidence to prove the *bona fide* intention to use the Application Mark in Singapore.

26 The Applicants having been challenged by the Opponents to show the alleged evidence of use that the Applicants had sworn to, and the Applicants having failed to adduce the evidence of such alleged use, the Opponents invited the Registrar to draw an adverse inference based on the non-production of the evidence of use, that the Applicants in fact had no *bona fide* intention to use the mark at the time of application and that had in fact made a false statement regarding the use of the mark in Singapore for "cosmetics" (Section 116(g) Evidence Act). Despite being given the opportunity to file further evidence if necessary, (the Registrar's letter of 29 July 2011 addressed to both parties) the Applicants have chosen not to do so.

27 The Opponents also referred to Section 5(2) of the Act. The Opponents submitted that in view of the contradictory evidence of the Applicants, between a sworn statement of use in Singapore and a complete absence of any evidence of such use, the Opponents invited the Registrar to review the trade mark application filed on 1st November 2006 to determine if the Applicants had made a misleading statement in the application. The Opponents submitted that such a misleading statement in the trade mark application would also amount to bad faith (see *Ferrero SpA's Trade Marks [2004] RPC 29 ("Ferrero")*).

28 The Opponents relied on the similarity between the Application Mark and the Opponents' Valentino Marks to show that in fact the Applicants had not created the Application Mark but had instead unlawfully copied distinctive elements of the Opponents' Valentino Marks namely the name "Valentino" and the "V" device. The Opponents submitted that the Applicants have tendered contradictory evidence of when the Application Mark was first used on cosmetics whilst the Opponents have shown evidence of the first use of the Opponents' Valentino Marks on perfumes (1978) which also falls within Class 3 and would be considered to be goods of a similar description as "cosmetics" as both types of products namely "cosmetics" and "perfumes" have similar uses, users, may be of the same physical nature as consisting of products sold in bottles on shelves and would be sold side by side through the same trade channels (*Johnson & Johnson v Uni-Charm Kabushiki Kaisha (Uni-Charm Corp) [2006] SGHC 241*).

29 The Opponents submitted that the striking similarity between the Application Mark and the Opponents' Valentino Marks arose because of the Applicants copying the essential elements of the Opponents' Valentino Marks namely the name "Valentino" and the "V" device both of which are synonymous to the fashion designer Valentino Garavani, whose name is used on the various Valentino marks. As the Applicants have alleged that the name "Valentino Rudy" was that of an Italian individual and the profiles describing Valentino Rudy which are found in the

Applicants' SD show Valentino Rudy to be residing in Italy, the Opponents relied on various articles in the Opponents' 1st SD which show the fame of Valentino Garavani and of his Valentino marks in Italy and other parts of the world during the period when Valentino Rudy was residing in Italy. The Opponents submitted that the fame of Valentino Garavani would not have escaped the attention of Valentino Rudy since purportedly Valentino Rudy was also a fashion designer as well during the same period.

30 The Opponents' challenge to the Applicants to explain how the Application Mark was derived was answered by the Applicants in the Applicants' SD where the Applicants explained that the mark was the name of an Italian individual, Valentino Rudy. The Opponents submitted that the Applicants' own evidence has raised serious doubts about the Applicants' right to apply for the mark in the name of an individual.

31 The Opponents submitted that even a cursory review of the Applicants' evidence shows that there are serious doubts about the Applicants' statement that the mark was derived from the name of an Italian individual, Valentino Rudy. The Opponents submitted that there are glaring and irreconcilable differences which clearly call into question the *bona fides* of the Applicants as to how the Application Mark was derived (see Appendix C of the Opponents' Rebuttal Submissions). The Opponents submitted that the profile of Valentino Rudy at Exhibit C of the Applicants' SD at two different pages seem to refer to two completely different individuals both named Valentino Rudy.

32 The Opponents submitted that the Applicants' evidence creates a *prima facie* case that the profile of Valentino Rudy on either of the two pages in the Applicants' SD must be false or that there are in fact two different individuals in the name of Valentino Rudy (one born in Alife and the other in Bologna). Whatever the explanation given by the Applicants the Opponents submitted that there is clearly a *prima facie* case that misrepresentations have been made about the derivation of the Application Mark and that the conduct of the Applicants in creating such misrepresentations regarding how the mark was derived is conduct that "falls short of the acceptable commercial behaviour observed by reasonable and experienced men in the relevant trade".

33 The Opponents submitted that the creation of the profile of Valentino Rudy was instead done to justify the use of the name "Valentino" in the Application Mark. In addition there has been no explanation given as to the creation of the "V" device in the Application Mark. In the absence of any evidence of how the Applicants' "V" device was derived, the Opponents submitted that the inference to be drawn is that it was taken from the Opponents' "V" device marks. The Opponents submitted that this proposition is supported by the strange absence of any newspaper articles or magazines in the Applicants' SD referring to the individual Valentino Rudy which the Applicants have in their publicity material at Exhibit C described as "For his outstanding contributions in the fashion world, Rudy is honoured as Italy's pre-eminent designer and artist in Europe." The Opponents submitted that this is to be contrasted with the copious articles written in the many newspapers and magazines about Valentino Garavani where significantly there is no mention of any individual called Valentino Rudy in the many magazines dedicated to fashion.

34 Rule 14 of the Trade Marks Rules (Cap 332, 2008 Rev Ed) ("Rules") provides that where the name of a person appears on the trade mark, the Registrar may before proceeding to register the mark, require the consent of the person whose name is being used to be furnished. In the present matter the Applicants have confirmed that the name as represented in the Application Mark is that of an Italian individual. The Applicants have sought to show that they have the consent of the said Valentino Rudy and thereafter of his family by furnishing two consent documents as found in Exhibits D & E of the Applicants' SD. The Opponents submitted that it would appear that only the second letter of consent dated 17 July 1997 (Exhibit E) purportedly given by the family of Rudy Valentino is relevant as the first consent letter dated 3 July 1987 (Exhibit D) would have been superseded by the death of Valentino Rudy and the present application was filed after the death of Valentino Rudy. Nevertheless the Opponents made submissions in relation to both letters of consent.

35 The Opponents challenged the authenticity of the first consent letter as the said letter does not purport to give consent to the use of the name Valentino Rudy as a trade mark. The Opponents submitted that it is also unusual that the said letter of consent when translated described Valentino Rudy as a "workman" and not as a "fashion designer". The Opponents also submitted that it is also unusual that instead of granting consent to the use of the trade mark Valentino Rudy, the consent had been instead to use the name and surname for "commercial purposes". There is no further explanation of what "commercial purposes" mean. The Opponents submitted that the said letter of consent was only confined to six countries but that Applicants have filed evidence (Exhibit A of the Applicants' SD) showing registrations/applications in countries for which no consent had been evidenced. The above query also arises as although the first letter of consent purported to give consent to the Applicants as at 3rd July 1987, Exhibit A of the Applicants' SD shows that applications were filed in Japan before the date of the first letter of consent.

36 The Opponents submitted that in relation to the second letter of consent, there is no verification that "Rudy Valentino" is the same Valentino Rodolfo a.k.a. Rudy in the first letter of consent. There is also no reference to the first letter of consent but instead there is a reference to a "contract *inter vivos*" made between the late Rudy Valentino and the Applicants. Finally, the Opponents submitted that this second letter of consent does not expressly give consent to the Applicants to register and use the trade mark "Valentino Rudy" in Singapore, especially when the individual named in the second letter of consent is Rudy Valentino.

37 Section 12 of the Act requires the Registrar to examine and be satisfied that an application for registration of a trade mark meets the requirements of the Act and the Rules, which includes Rule 14. The Opponents submitted that neither of the letters of consent would satisfy the requirements of Rule 14 for the reasons mentioned above. The Opponents submitted that the burden of showing that the Applicants have had the requisite consent lies with the Applicants and not the Opponents. If the Applicants have filed the application without the requisite consent then the Opponents submitted that the Applicants have made a misrepresentation to the Registrar. The Opponents submitted that such a misrepresentation in the trade mark application would also amount to bad faith (see *Ferrero*).

Applicants' Submissions

38 The Applicants submitted that as per *McDonald's Corp v Future Enterprises Pte Ltd [2005] 1 SLR 177 ("McDonald's Corp")* an allegation of bad faith is a serious matter which should not be lightly inferred. Further the concept of bad faith includes dishonesty and behaviour which falls short of acceptable commercial behaviour of a reasonable man in the particular area under examination. The onus to show whether the application to register the Application Mark was made in bad faith is on the Opponents (see *Valentino*). Importantly, an allegation of bad faith is a serious one and it must be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference (*Law of Intellectual Property of Singapore (Sweet & Maxwell, Rev Ed, 2009)* by Ng-Loy Wee Loon – “*Law of Intellectual Property*”).

39 The test of bad faith is as per the case of *Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd & another [2009] 2SLR(R) 814*. The test is a combined test comprising both the subjective element of the knowledge of the Applicants and an objective element of judging that knowledge against the ordinary standards of honest people. The Applicants submitted that in this particular instance the relevant issue is whether the decision to apply for registration of the Application Mark for the “cosmetics” in Class 3 would be regarded as made in bad faith by reasonable and experienced men adopting proper standards at the relevant date of 1 November 2006 (application date).

40 The Applicants submitted that they have many registrations in both Singapore and overseas before or at the date of application. The Applicants have long adopted, honestly and continuously used their trade marks in Singapore and in other parts of the world. The Applicants submitted that they are authorised to use Valentino Rudy (Exhibit D and E of the Applicants' SD). The Applicants also referred to Exhibit C of the Applicants' SD and submitted that such use is genuine. The Registrar has not requested any further information/evidence during the application process. The Applicants submitted that there is clearly no bad faith as the Applicants had merely applied to register in Singapore a mark which they have been using in other classes in Singapore and also other parts of the world for a long time prior to the application. The Applicants submitted that as Valentino is a common name, it is reasonably expected that it may be used as a common trade name by many traders including the Applicants. There is no reason to suggest that the Opponents or any other party have a monopoly to the name. By reason of the above, the Applicants submitted that it is without a shred of doubt that the Applicants are the *bona fide* proprietors of the Application Mark and thus the opposition under Section 7(6) must fail.

Decision on Section 7(6)

41 At the outset, it is important to note that bad faith is a distinct and independent argument from the issue of confusing similarity. In *Valentino*, the Court of Appeal stated, at [20]:

Once bad faith is established, the application for registration of a mark must be refused even though the mark would not cause any confusion: see *Rothmans of Pall Mall Ltd v Maycolson International Ltd [2006] 2 SLR(R) 551*

(“*Rothmans*”) at [29] and Tan Tee Jim SC, *Law of Trade Marks and Passing Off in Singapore* (Sweet & Maxwell Asia, 2nd Ed, 2005) at para 5.71.

42 It is clear that the test for bad faith is a combined test which includes an objective and subjective element. The test was described in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 which has been endorsed by the local courts:-

...Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area of trade being examined.

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

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

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

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

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

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

35 ... Bad faith is to be judged according to the combined test of dishonesty for accessory liability [for] breach of trust set out by the majority of the House of Lords in *Twinsectra Ltd v Yardley* [2002] 2 A.C. 164, with *Gromax Plasticulture* [(103) *supra*] ... providing

the appropriate standard namely, acceptable commercial behaviour observed by reasonable and experienced persons in the particular commercial area being examined....

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

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

44 In particular, as per *Royal Enfield Trade Marks* [2002] RPC 508 which was cited with approval in *McDonald's Corp*:-

“An allegation that a trade mark has been applied for in bad faith is a serious allegation...A plea of fraud should not lightly be made...and if made should be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts...In my judgment precisely the same considerations apply to an allegation of ... bad faith made under section 3(6). It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.”

[Emphasis mine.]

45 The Opponents' argument in relation to this ground is that the Opponents have a prior and superior right in the Opponents' Valentino Marks and that the Applicants are trying to misappropriate the Opponents' Valentino Marks.

46 The Opponents also challenged the Applicants' right to apply for registration of the Application Mark and submitted that a *prima facie* case of bad faith has been made out as against the Applicants on the basis that:

- (i) there was no *bona fide* intention to use the Application Mark in Singapore;
- (ii) there has been no credible explanation as to the derivation of the Application Mark and that in all likelihood the Application Mark was copied from the Opponents' Valentino Marks; and
- (iii) there has been no credible evidence submitted that the consent of the person whose name the Applicants are purportedly using had consented to the registration and use of the Application Mark.

The Opponents submitted that while it is accepted that the burden lies with the Opponents in the present proceedings, where there is evidence that supports a *prima facie* case of bad faith then the evidential burden will shift to the Applicants which the Applicants have failed to discharge in the current case.

No bona fide intention to use the mark in Singapore

47 The Opponents submitted that the Applicants have made a sworn statement at paragraph 4 of the Applicants' SD that the Applicants have used the Application Mark in Singapore in respect of goods applied for but that such sales had since been suspended due to the re-organisation of the Applicants' local agent/distributor. However, the Applicants have failed to tender any evidence of such use.

48 I accept that the Applicants' SD contains no exhibits to corroborate the statement that the Applicants have used the Application Mark in Singapore. However, I cannot discount the fact that the Applicants have made a statutory declaration to the effect that they did use the Application Mark in Singapore. Such use, even if it is only for a short while, is sufficient for the current purposes.



49 Further, I accept the Applicants' submissions that they have many registrations in both Singapore and overseas before or at the date of application (see Exhibit A of the Applicants' SD) and that the Applicants have merely applied to register in Singapore a mark which they have been using in other classes in Singapore and also other parts of the world for a long time prior to the application. This case is unlike the instances of "hijacking" of a trade mark (see *Law of Intellectual Property of Singapore* at [21.4.12] and [21.4.15]). If it was an instance of "hijacking", there is no evidence tendered as such. The absence of evidence of use *per se*, cannot be regarded as an indication that there was no *bona fide* intention to use the Application Mark.

50 Thus there was no misleading statement in the application for registration for the Application Mark as alleged by the Opponents.

No credible explanation as to the derivation of the mark

51 I am of the view that there is no "striking similarity" as alleged by the Opponents between the Opponents' Valentino Marks and the Application Mark. First and foremost, the Opponents' Valentino Marks consist of a whole host of marks containing variants of "Valentino" and the "V" device, and in relation to different

classes (paragraph 3 of the Opponents' SD – see also Annex A of the Opponents' SD). Taking the Application Mark as a whole, it can hardly be said that the similarity is striking. At most it can be said that there are similar elements, which are "Valentino" and "V". This is even more so when the Opponents' Valentino Marks are confined only to those in Class 3:

T00/21727F	
T90/07940D	
T03/15815G	R.E.D. VALENTINO

52 I am aware that an action for bad faith is independent from the issue of confusing similarity. My comments above are only in response to the Opponents' arguments.

53 Even in relation to "Valentino" per se, I am of the view that a case of copying cannot be made out. The current case is distinct from *Festina*. In that instance, the mark in question "J.Estina", in particular "Estina" was an invented word. Justice Tay was of the view that the failure to furnish the court with credible explanation of how "Estina" was derived, in particular when six out of seven letters were in identical sequence lead to the conclusion that "Estina" was copied. In this instance, "Valentino" is not an invented word. It is a name/surname and not an unusual name/surname as such. Given all of the above, I am of the view that it cannot be said that a case of copying has been made out.

54 I accept that there are some differences in the profile of the individual Valentino Rudy as proffered at Exhibit C of the Applicants' SD (which includes two features in fashion magazines). The discrepancy in relation to the place where Valentino Rudy was born has been explained to be the difference between his birth place (Alife) and his place of residence (Bologna). In relation to this I refer to Exhibit D of the Applicants' SD, the consent letter dated 3 July 1987.

55 It would appear that the other discrepancy is in relation to the period when Valentino Rudy dabbled in the fashion industry and became famous as well as the extent of his fame. I accept that there are some discrepancies in the Applicants' marketing material. However I am of the view that such inaccuracies alone is insufficient to make up a *prima facie* case of bad faith.

56 Further the issue of derivation of the Application Mark in this instance includes the issue of consent since the Application Mark includes the name of an individual. The issue of consent is dealt with below.

Consent of the person whose name the Applicants are using

57 I am of the view that the two letters of consent are acceptable. Indeed, these letters have been accepted by the Registrar as at the point of examination of the Application Mark. My views are as follows.

58 In relation to the first consent letter (Exhibit D of the Applicants' SD), the phrase "to make use of my name and surname for commercial purposes" is wide enough to cover commercial use as a trade mark. The fact that Valentino Rudy is described as a "workman" does not materially affect the purpose of the letter of consent which is to provide consent for the use of a name. Further, "workman" is wide enough to cover "fashion designer". As to the fact that there are applications/registrations in countries which were not included in the consent letter, I note that Singapore was one of the countries listed and this is sufficient for the present purpose. I will also not venture to guess as to why registration in Japan was sought on 27 March 1987 which is earlier than the consent letter date of 3 July 1987. Suffice to say that it does not affect the present decision.

59 In relation to the second letter of consent (Exhibit E of the Applicants' SD), my view is that while it is preferable to refer to "Valentino Rudy" for consistency purposes, I do not think that the reference to "Rudy Valentino" is such as to render the letter of consent void. Similarly the reference to "contract *inter vivos*" is wide enough to include a letter of consent.

60 In short, I am of the view that while the two letters of consent can be better drafted, the versions as they are provided in Exhibit D and E of the Applicants' SD are acceptable.

Misappropriation of a prior and superior right

61 The Opponents also argued that by virtue of their earlier applications/registrations they have prior and superior rights in the Opponents' Valentino Marks and that the Applicants have misappropriated the same. My response to this argument is that there is no striking similarity and that a case of copying has not been made out (see above). As such, there cannot be any misappropriation.

Conclusion

62 It is to be recalled that an allegation of bad faith is a serious one and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference. Taking into consideration all of the above circumstances, the question to be asked is whether the Applicants, in applying for registration of the Application Mark have acted dishonestly and in a manner that falls short of acceptable commercial behaviour as judged by reasonable and experienced persons adopting proper standards. I shall take it that the Applicants have had knowledge of the Opponents' Valentino Marks. But taking into account of the Opponents' Valentino Marks, in particular, the three marks in Class 3 (above), I do not think that the Applicants' behaviour in applying for registration of the Application Mark has fallen short of acceptable commercial behaviour.

63 In relation to the Opponents' challenge of the Applicants' right to apply for the Application Mark, the inaccuracies in marketing materials alone is insufficient for me to conclude that the Applicants' behaviour in seeking to apply for registration of the Application Mark has fallen short of acceptable commercial behaviour.

64 In a civil matter as this, the legal burden of proof is on the Opponents and the standard of proof is on a balance of probabilities. The Opponents have not established, on a balance of probabilities, that there was misappropriation. Nor did the Opponents succeed, on a balance of probabilities, in making out a *prima facie* case that the Applicants did not have a right to apply for the Application Mark.

65 In light of the above, the ground of opposition under Section 7(6) fails.

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

66 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.

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

"earlier trade mark" means —

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

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

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

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

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

"trade mark" means any sign capable of being represented graphically and which is capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person.

Opponents' Submissions

67 The Opponents submitted that the Application Mark is confusingly similar to the Opponents' Valentino Marks which are earlier trade marks so as to lead to a likelihood of confusion on the part of the public. The Opponents submitted that the Application Mark is also to be used for goods which are identical or similar to those for which the Opponents' Valentino Marks, being earlier trade marks, are protected.

68 The Opponents submitted that in comparing the look of the respective marks, allowance should be made for the "imperfect recollection" of the consumer and the general impression or significant details of the marks must be established and given more weight in any such comparison. Thus the Opponents submitted that under the doctrine of imperfect recollection, the marks are not to be compared side by side and examined in minute detail. The Opponents cited several cases to support this proposition.

69 The Opponents submitted that the general impression or significant detail of both marks is "Valentino". The Opponents submitted that "Rudy" is in itself non-distinctive and the Applicants have not provided any evidence as to the distinctiveness of "Rudy". The Opponents thus submitted that its impact on differentiating the marks is minimal. Instead the Opponents submitted that "Rudy" conveys the impression that there is a close connection between the Opponents and the Applicants or that the Application Mark is a variant of the Opponents' Valentino Marks. The Opponents submitted that the above arguments apply with equal force to "V". The Opponents submitted that "V" not only does not add any distinctiveness to the Application Mark but instead serves to increase the likelihood of confusion as the Opponents also have registered marks which contain either "V" on its own or in conjunction with "Valentino". Hence, "V" increases the likelihood of confusion as it is an additional common feature between the Application Mark and the Opponents' Valentino Marks.

70 The Opponents also submitted that the Opponents' goods bearing the Opponents' Valentino Marks go through the same trade channels as the Applicants' goods. There will thus be the likelihood of confusion as goods of both parties will be found side by side.

71 The Opponents concluded that in essence the Application Mark is similar to the Opponents' Valentino Marks. The concept of the Application Mark is a "Valentino" mark. The goods are also identical if not similar.

Applicants' Submissions

72 The Applicants submitted that the test for the requirements under Section 8(2) is enunciated 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*"). The Court of



Appeal adopted the 3 step test in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 ("*British Sugar*") and held that the following conditions must be present (i) the Application Mark must be shown to be similar to the Opponents' earlier registrations; (ii) the marks must be used in relation to similar services; (iii) on account of the presence of (i) and (ii), there exists a likelihood of confusion on the part of the public. If either of the first two conditions is not satisfied there will not be any need to go into the third question of determining whether there exists a likelihood of confusion.

73 When dealing with comparison of marks on the question of similarity, it is a matter of degree. The guiding principle is as per the case of *Pianotist Co.'s Application* (1906) 23 RPC 774 at 777:

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

The assessment must be based on a notional and fair use across the range of goods for which the mark is sought to be registered and the relevant public will have to be considered. Further, as per *Polo/Lauren*, the test should also not be determined based on a man in a hurry but that of the "ordinary, sensible members of the public".

74 The Applicants submitted that the Opponents' Valentino Marks raised specifically in relation on this ground are:

T00/21727F	
T90/07940D	
T03/15815G	R.E.D. VALENTINO

75 The Applicants submitted that T00/21727F which consists exclusively of a rounded "V" and T90/07940D which consists of a dog device and "OLIVER" have no semblance of similarity with the Application Mark.

76 With regards to T03/15815G while there is a common constituent of "Valentino", this is far from compelling evidence of the similarity between the marks. The Opponents submitted that the uppercase lettering of T03/15815G and the inclusion of "R.E.D." are very different from that of the Application Mark, which is a composite mark featuring its own unique device and stylisation. There is no visual similarity. In relation to aural similarity, the Applicants referred to *London Lubricants (1920) Ltd's Application* (1925) 42 RPC 264 for the principle that the beginnings of marks would have more emphasis when pronounced aurally. In the

current case, T03/15815G starts with “R.E.D.”, the dots suggesting that each letter is to be read individually, followed by “Valentino”. In comparison, the Application Mark starts with “Valentino” and then “Rudy”. Given the different number of syllables and also the differing placement of the common element, the Applicants submitted that they are aurally distinct. In relation to conceptual similarity, the Applicants submitted that the mere presence of a common element does not result in conceptual similarity. The Applicants referred to *Polo/Lauren* for the principle that where there is a common denominator, the customer will pay more attention to the differences in the marks. The Applicants submitted that this is especially so since there are many marks containing “Valentino” on the Register. The Applicants referred to the case of *Valentino Globe BV v Pacific Rim Industries [2009] SGHC 150* (“*Valentino High Court Case*”) at [36] where the learned judge found that there was no visual, aural or conceptual similarity between “Emilio Valentino & V Device” and “Valentino” marks, even if the principles could not be applied in “blanket fashion” and further stated that no one had a monopoly over “Valentino”.

77 The Applicants submitted that with regards to the three marks in Class 3, the marks appear to overlap in relation to “cosmetics”. The Applicants referred to the following factors as applied in *British Sugar*:

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

78 The Applicants referred to *McDonald's Corp* where it was held that the average consumer in Singapore is one who is literate, educated, exposed to the world and not easily hoodwinked. The Applicants submitted that the Opponents’ goods target the upper income class as their primary target market as the goods are sold at high prices in upmarket, exclusive luxury boutiques, whereas goods sold under the Application Mark are targeted at the lower and middle income classes and hence are sold in mid range stores. Thus the Applicants submitted that the channels of distribution, prices and target markets are extremely different. The Applicants submitted that the Opponents have not submitted any evidence to the contrary.

79 The Applicants further referred to *Goldlion Enterprises (Singapore) Pte Ltd v Baume & Mercier SA [2005] SGIPOS 10* for the principle that the likelihood of confusion must be appreciated globally, taking into account of all factors relevant to the circumstances of the case.

80 The Applicants concluded that in view of the above, namely, the markedly distinct differences between the marks and the different trade channels and markets, it is highly unlikely that there will be ensuing confusion.

Decision on Section 8(2)(b)

81 As submitted by the Applicants, the case of *Polo/Lauren* sets the stage for an analysis under this Section.

Similarity of Marks




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

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

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

85 Before I proceed to compare the Opponents' Valentino Marks and the Application Mark, it is important to point out that as submitted by the Applicants (and this was not rebutted by the Opponents), the relevant marks (out of the Opponents' Valentino Marks) for the present proceeding are the three marks as referred to above ie (i) T00/21727F; (ii) T90/07940D (iii) T03/15815G. This is because these are the three marks out of the Opponents' Valentino Marks which are registered in Class 3 (see Annex A of the Notice of Opposition).

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

Opponents' marks	Application Mark
 T00/21727F	
 T90/07940D	
R.E.D. VALENTINO T03/15815G	

Visual Similarity

87 It is clear from the above that there can be no similarity between the T00/21727F, T90/07940D and T03/15815G and the Application Mark respectively. For T00/21727F, the “V” device is of a particular font and design and is different to that of the “V” device in the Application Mark. Further it is noted that T00/21727F is merely a device mark while the Application Mark is a composite mark consisting of words and a device, with the device taking up only about a third of the Application Mark. There is also no similarity between T90/07940D and the Application Mark even though T90/07940D is a composite mark. When taken as whole, T90/07940D is different from the Application Mark. To begin with, T90/07940D includes a dog device which takes up a good part of the mark. This is obviously missing from the Application Mark. Last but not least, there can also be no similarity between T03/15815G and the Application Mark even though there is a common denominator “Valentino”. Firstly, “R.E.D. VALENTINO” is of a different font and design from the Application Mark. The placement of "Valentino" is also different. Further, it is clear that "R.E.D." is different from "Rudy". Again when taken as a whole, T03/15815G is different from the Application Mark.

Aural Similarity

88 Again, aurally, there can be no similarity between T00/21727F, T90/07940D and T03/15815G and the Application Mark respectively. T00/21727F is a “V” device mark while the Application Mark is pronounced as “Valentino Rudy”. T90/07940D will be referred to as the “Oliver” mark or a dog mark while the Application Mark again will be referred to as the “Valentino Rudy” mark. Finally T03/15815G will be referred to as the “R.E.D. Valentino” mark (ie the letters R, E, D read individually) or at most the “RED Valentino” mark. This is different from the Application Mark which again will be referred to as the “Valentino Rudy” Mark. In T03/15815G, the word “Valentino” comes after “R.E.D.”/“RED” while in the Application Mark the word “Valentino” precedes the word “Rudy”.

Conceptual Similarity

89 Again, there can be no conceptual similarity between T00/21727F, T90/07940D and T03/15815G and the Application Mark respectively. T00/21727F can simply be

regarded as a “V” device mark while the Application Mark is a composite mark comprising of a “V” device as well as “Valentino Rudy”, with the "V" device only taking up about a third of the Application Mark. T90/07940D with the device of a dog and “Oliver” cannot be considered to be conceptually similar to the Application Mark at all. Finally, T03/15815G when taken as a whole, is a “R.E.D. Valentino” mark or at most “RED Valentino” mark. This is in contrast to the Application Mark which is a “Valentino Rudy” mark with a "V" device.

Relative importance of the different facets of similarity

90 As mentioned above, the law does not require all three similarities to be made out before a finding that the marks are similar can be made. In the current case, given that the relevant goods are cosmetics, the visual aspect of the marks is the most important facet of the marks. These goods are usually advertised via magazines/brochures and are bought after close visual scrutiny. While the aural aspect may come into play, I am of the view that the visual aspect is the most important facet of the mark.

91 As held in the *Valentino High Court Case* at page 578:

Simply because the Application Mark and the relevant Valentino Marks shared a common denominator in the word “Valentino” did not mean that they were so visually, aurally or conceptually similar so as to cause confusion to the public. The Application Mark had to be viewed in its entirety and further, there were also distinguishing features between the Applicant Mark and the relevant Valentino marks..

Taking all of the above into consideration, I am of the view that the marks are visually, aurally and conceptually dissimilar.

Conclusion

92 In light of the above, there is no further need for me to consider whether the goods are similar and whether there is a likelihood of confusion. The ground of opposition under Section 8(2)(b) fails.

Conclusion

93 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 Mark shall proceed to registration. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 26th day of April 2012

Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore