

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

Trade Mark Application No. T0716403H
29 May 2012

IN THE MATTER OF TRADE MARK APPLICATION BY

LEONID KOVALKOV

AND

OPPOSITION THERETO BY

TAN SIEW KENG ANGELINE

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

Mr Alvin Lim (Tito Isaac & Co LLP) for the Applicant

Mr Ignatius Joseph (Ignatius J & Associates) for the Opponent

Cur Adv Vult

GROUND OF DECISION

1 This is an opposition to the registration of the trade mark T0716403H (“the Application Mark”):



for the following goods in Class 7:

"Air filters for commercial vehicles, oil filters, fuel filters for land vehicles; fuel pumps and water pumps for land vehicles; all included in Class 7"; and

the following goods in Class 12:

"Brake pads for vehicles; brake shoes for vehicles; brake lining for land vehicles; suspension parts for vehicles; all included in Class 12.

2 The Applicant is Leonid Kovalkov ("the Applicant") and the Opponent is Tan Siew Keng Angeline ("the Opponent").

3 The Application Mark was accepted and published on 4 April 2008 for opposition purposes. The Opponent opposed this application on 30 May 2008. The Applicant filed their Counter-Statement on 29 July 2008.

4 The Opponent filed evidence in support of the opposition on 2 October 2008. Pursuant to an interlocutory hearing held on 18 November 2008, the Opponent filed her supplementary evidence on 2 December 2008. The Applicant filed his evidence in support of the application on 21 August 2009. There was no evidence in reply filed by the Opponent. The Pre-Hearing Review was conducted on 30 June 2010 and the opposition was only heard on 29 May 2012 as the parties were awaiting the resolution of proceedings in the Subordinate Court.

Grounds of Opposition

5 The Opponent relied on Section 7(6) and Section 8(1) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("the Act"). The Opponent included submissions in relation to Section 8(2) in their written submissions. However, upon an objection raised by the Applicant that Section 8(2) was not pleaded in the Notice of Opposition, the Opponent confirmed at the hearing that she will only proceed on Section 7(6) and Section 8(1).

Opponent's Evidence

6 The Opponent's evidence comprises of a statutory declaration made by Ms Tan Siew Keng, Angeline herself, on 2 October 2008 ("Opponent's SD") as well as the Opponent's supplementary evidence filed on 2 December 2008 ("Opponent's SSD").

Applicant's Evidence

7 The Applicant's evidence comprises of a statutory declaration made by Mr Leonid Kovalkov himself, on 21 August 2009 ("Applicant's SD").

Applicable Law and Burden of Proof

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

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, 3rd Ed, 2010) by Jeffrey Pinsler at 12.05:

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.

Background

11 In 1992, the Applicant and Ong Hoe Koon ("Ong") entered into a business arrangement via a company then known by ENESI Pte Ltd ("*ENESI*"). There were two other directors, namely, Goh Boon Sin ("Goh"), and Boris Nefedov ("Boris"). The Opponent deposed that Goh and Boris assumed dormant roles in the business. ENESI then changed its name to EPL Distribution Pte Ltd ("*EPL*"). EPL has since been liquidated.

12 In 1999, the Opponent, who is the wife of Ong, joined EPL and worked as an overall administrative person cum secretary for EPL.

MAIN DECISION

Ground of Opposition under Section 7(6)

13 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.

Opponent's Submissions

14 The Opponent referred to *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 ("*Festina*") where it was held that:

"As bad faith is an 'absolute ground for refusal', this suggests that it is an independent and distinct ground for refusing the registration of marks in its own right. As noted by Lai J in Rothmans ([108] *supra*), this view is consonant with Tan Tee Jim SC's observations in **Law of Trade Marks and Passing Off in Singapore** (*Sweet & Maxwell Asia, 2nd Ed, 2005*) at para 5.71:

Once bad faith is established, the application will be refused, even though the offending conduct does not cause any confusion or breach any duty, obligation, prohibition or other legally binding requirement."

15 Further, the Opponent also referred to *Festina* at [101] where reference was made to *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 ("*Gromax*"):

"I shall not attempt to define bad faith in this context. 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 being examined.

16 The Opponent also referred to *Festina* at [103] where Justice Tay cited with approval from *Intellectual Property Law* (Oxford University Press, 3rd Ed, 2009) by Bently & Sherman for the three categories of bad faith:

- (a) no intention to use the mark;*
- (b) abuse of a relationship;*
- (c) where the applicant was aware that a third party had some sort of claim to the goodwill in the mark."*

17 Further elaborations on the above categorisation were made at [115-116] of *Festina* as follows:

115 The categorisation by **Bently & Sherman** ([38] supra) as seen above hints that despite the broad nature of the notion of bad faith, one must show some sort of nexus between the parties in dispute. Otherwise, the notion of bad faith would have to be decided in vacuum. A clear-cut example of such a nexus would be an outright copying of the proprietor's mark such that the two competing marks are practically identical. However, the nexus may be in the guise of something more subtle. In finding a nexus between the parties, a parallel may be drawn between ss 8(2)(b) and 7(6) TMA. For example, there may be cases where although there is some similarity of marks or of the goods or services, it falls short of confusing similarity (ie, no likelihood of confusion) within the meaning of s 8(2)(b) TMA. Nevertheless, the evidence of this similarity may be taken into account and considered against the background facts from which bad faith may be inferred. In other words, while the finding of bad faith is largely, if not invariably, based on circumstantial evidence, the party alleging bad faith needs to show some link between the parties, perhaps by way of a pre-existing relationship or some acts of association with the proprietor or some nexus between the two competing marks.

116 There may be a fine line between being inspired by another's trade mark as opposed to blatant copying or copying with some modifications made to the mark. The former would not attract punitive measures whereas the latter would lead to the mark being rejected. Where the dividing line between "inspiration" and "infringement" should be drawn is a matter best left to the facts peculiar to any case.

18 The Opponent submitted that applying the above principles to the current case, the Applicant has made this application in bad faith. In particular, the Applicant has filed his application despite having had, at all material times, actual knowledge of the Opponent's pre-existing rights in several trade marks, in particular, T0307028D and T0409752F ("the Sakura Marks") both registered in class 7 for:

"Air filters for commercial vehicles, oil filters, fuel filters for land vehicles, fuel pumps and water pumps for land vehicles".

19 The Opponent submitted that the Applicant has abused his prior relationship with the Opponent's licensees (namely EPL and Zonac Pte Ltd ("Zonac") which has since been renamed as Sintrade Pte Ltd – "Sintrade") in bringing this application. The Opponent submitted that when the directors of EPL parted ways in 2007, there was an agreement that JNBK Corporation Pte Ltd ("JNBK Corporation") would purchase goods bearing, amongst others, the Sakura Marks from Zonac. However, sometime before the filing of the Application Mark, JNBK Corporation stopped ordering goods from Zonac and instead approached Zonac's Taiwanese suppliers directly for goods that were sold under the Opponent's marks (which included the Sakura Marks) and started to package and distribute these goods under brand names and packaging which closely imitate the Opponent's marks (which included the Sakura Marks). Further, by the Applicant's own admission, he has also registered the Opponent's sakura flower device in Japan, Taiwan and Thailand, showing clearly that his intention is to create confusion among the Opponent's customers not just in Singapore but also in the region.

20 The Applicant has made claims in his statutory declaration that he owns the copyright to the sakura flower device (which is denied) and that on that basis he cannot be stopped from applying to register this device as a trade mark in Singapore. This confirms that the Applicant recognises that he is attempting to register a mark which is an outright copy of the Sakura Marks, such that the Application Mark is identical with or at least highly similar to the Sakura Marks. This is incontrovertible evidence of the nexus necessary to prove bad faith.

21 The Opponent submitted that based on all the facts and circumstances, the Applicant's application to register the Application Mark has been made in bad faith and must not be permitted. The Applicant has dishonestly appropriated the Sakura Marks and has deliberately produced a mark which is identical with or similar to the Sakura Marks in order to free ride on the goodwill that attaches to the Sakura Marks. He has abused his relationship with the Opponent's licensee and attempted to steal the goodwill that it is entitled to. In applying for the Application Mark, he has engaged in behaviour which "which fall(s) short of the standards of acceptable commercial behaviour observed by reasonable and experienced businessmen."

22 In his statutory declaration, the Applicant's main defence is that he purportedly owns the copyright to the sakura flower device. To support this claim, he has provided photocopies of the book which he claims to have used in designing the sakura flower device, and concocted a sequence in which he purportedly developed the mark. The Opponent submitted that the Applicant's sequence of development of the mark is totally fabricated. For the avoidance of doubt, it was the Opponent who created the sakura flower device with the assistance of Kevin Oliver. Neither should much weight be placed on the statutory declarations filed in support of the Applicant as they were all filed by individuals who are either obligated to the Applicant or stand to gain from the successful registration of the Application Mark. Ivan Ho is the Sales Manager of JNBK Corporation, which is currently owned by the Applicant. Goh is still a shareholder of JNBK Corporation. Komyza Alexey ("Alexey") is currently still in business with the Applicant.

23 In any event even if it were true that the Applicant had designed these marks (which is denied), the Opponent submitted that as the Applicant was, at the relevant time, the "leading marketing figure in [EPL]", the copyright in the marks which he purportedly created in order to market EPL's products belonged to EPL and not to him personally. Further, even if the copyright in the sakura flower device did belong to the Applicant (which, once again is denied), this would not give the Applicant the right to register the Application Mark in violation of Section 8 of the Act.

24 In attempting to explain why he purportedly allowed the Opponent to register the Sakura Marks in her name, the Applicant claims to have been persuaded by the false representations of the Opponent that as a foreigner, he would have difficulty registering the trade mark in Singapore. The Opponent submitted that this story is the most far-fetched of the many fabrications in the Applicant's statutory declaration. Throughout the Applicant's evidence, the Applicant has portrayed the Opponent as someone who was ignorant of the business and not involved in any decision making for EPL. The Opponent submitted that given this low regard that the Applicant had for the Opponent throughout the time they were both employed at EPL, the Opponent submitted that it is incredulous that the Applicant would accept and act on the

purported advice of such an allegedly ignorant person such as the Opponent without first checking if her advice was correct. The Opponent submitted that it is also unbelievable that the Applicant purportedly allowed the Opponent to register several trade marks in her personal name from 2003 – 2006, continuing to believe in her alleged misrepresentation, without making any enquiries, over a period of three years.

25 The Opponent submitted that that is no truth in the Applicant’s story and that it is not believable.

26 The Opponent submitted that as the wife of Ong, one of the directors of EPL, she had always been very aware of what was happening in EPL. The Opponent’s suggestion that she create and hold the Sakura Marks in her own name and license these to EPL was accepted by the directors of EPL as they could see that it was in the interests of EPL at the time. Such an arrangement allowed EPL to distribute a competing line of products to that of their principals in a manner which would not be detected by them. Having its own brands was a hedge against the likelihood that these principals would eventually by-pass EPL and supply directly into the markets that EPL had developed. This had already happened with Nisshinbo Company in Russia. The Opponent submitted that the resulting loss of sales made the Applicant so anxious that he entered into the risky business of selling counterfeit products under the Nisshinbo marks.

27 Further the Opponent submitted that the Applicant had been inconsistent as to whether the Sakura Marks should be transferred to EPL or the directors of EPL. In anycase, the Opponent had never consented to transferring her registered trade marks (which includes the Sakura Marks) to anyone – whether to EPL or its directors.

28 Last but not least, the Opponent submitted that the Opponent has used the Sakura Marks via its licensees, EPL and Zonac (now known as Sintrade).

Applicant’s submissions

29 The Applicant submitted that the primary onus of proof to show bad faith lies on the Opponent. The Applicant referred to the Court of Appeal in *Valentino* at [21] (see above).

30 The Applicant also referred to the Court of Appeal in *McDonald’s Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 (“*McDonald’s Corp*”) at [78] which applied the proposition in *Royal Enfield Trade Marks* [2002] RPC 508 (“*Royal Enfield*”) that:

“bad faith should be alleged as a primary argument or not at all. It should not be raised as an adjunct to a case since any allegations of bad faith should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.

31 The Applicant submitted that the Court of Appeal in *Valentino* accepted the definition of bad faith in *Gromax* as behaviour that includes “...dishonesty

and...dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined.”

32 The Court of Appeal in *Valentino* accepted the line of cases propounding that “...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).” In connection to the subjective element, the time that the test is to be applied is at the date of the filing of the Application Mark – see *Borri S.P. A v Bees S.R.L* [2011] SGIPOS 5.

33 The Applicant submitted that the Opponent has failed to discharge the burden of proof. The Opponent has not shown any acts of dishonesty or any other dealings which fall short of acceptable standards on the part of the Applicant connected with the filing of the Application Mark. At most, the Opponent has made several scandalous and damaging allegations but has not been able to produce any evidence whatsoever to show that the Applicant should not be entitled to registration of the Application Mark.

34 On the contrary, the Applicant has in his evidence exhibited statutory declaration from not less than [two] other parties to attest to the fact that the Applicant was the creator and owner of the [flower logo/device]. The Applicant also has exhibited the statutory declaration of Goh which positively affirms that the Opponent admitted that she did not own the [Sakura Marks]. If anything, it is the Opponent that has acted in bad faith in bringing these opposition proceedings without any basis.

Decision on Section 7(6)

35 The applicable principles for bad faith have been alluded to by parties and I only need to summarise here for the sake of completeness.

36 Firstly, bad faith is a distinct and independent argument from the issue of confusing similarity; secondly and importantly, 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); thirdly, bad faith includes behaviour which otherwise involves no breach of any duty, obligation, prohibition or requirement that is legally binding upon the applicant. Fourthly, bad faith is to be determined as at the date of application for registration of the application mark although bad faith did not exclude from consideration matters which occurred after the date of application in that they may assist in determining the applicant’s state of mind at the date of registration (*Ferrero SpA’s Trade Marks* [2004] RPC 29).

37 Last but not least, as per *Royal Enfield* 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.”

38 The main basis of the Opponent's arguments is that the Applicant has misappropriated her marks, namely the Sakura Marks. However, there is doubt as to whether the Opponent owns these marks.

39 The Opponent's version of the facts is that EPL was distributing “Nisshinbo” brake pads to Russia during the period 1998 – 2003. However, when the brand became very popular in Russia, Nisshinbo Company started to go direct to the Russian market on its own. As result, the Opponent deposed that the Applicant became very anxious and began to counterfeit the products by producing similar brake pads with similar markings and packings.

40 The Opponent deposed that she began to get worried as she was concerned that Ong, her husband, would be implicated. The Opponent then suggested to her husband that since EPL already had all the contacts of the manufacturers for brake pads and filters, it would be easy for EPL to make orders for them and package them the way EPL wanted. As EPL was a distributor, it could not come up with its own brand as it would conflict with its position with its principal. As such, the Opponent suggested that there is no point in EPL taking any risk. Rather, she would be the brand owner and principal and would start her own line of brands and allow EPL to market the same as agents. The Opponent deposed that this idea was finally taken up by the Applicant and the directors of EPL.

41 The Opponent deposed that she then looked at the various brands in the market before settling on "J.Sakura". She explained that the cherry blossom is popular with several cultures. To the Chinese, it symbolises feminine beauty. She deposed that the flower was chosen as it signifies the coming of Spring and the ending of Winter (paragraph 19 of the Opponent's SD). The Opponent further deposed that "J.Sakura" was chosen to distinguish it from the then "Sakura" brand in the market. The Opponent deposed that the design of the flower logo was suggested by her to her husband after several drafts and that Kevin Oliver helped to modify her idea of the design to the present one.

42 The Applicant deposed that sometime in 2001, he conceived the marks. He deposed that in that year, he researched and sourced from various books including one which is provided in Exhibit LK-2 of the Applicant's SD entitled "Japanese Design Motifs" (see Exhibit LK-2 of the Applicant's SD). In December of the same year, he modified the flower logo and included the words “Sakura Premium” after which he commissioned the printing of the same with Japanese characters for use as product packaging for EPL's filters (Exhibit LK-4 of the Applicant's SD). Finally, in 2002, he changed the above to “J.Sakura Premium” & flower logo (with Japanese characters). The same was again printed on product packaging for filters (Exhibit LK-5 of the Applicant's SD).

43 During one of the Applicant's discussions with Ong on the branding of the products, Ong asked him to speak to the Opponent. The Opponent then suggested that the Sakura Marks be filed in her personal name, claiming that this would expedite

the process as she is a Singaporean. More importantly, as the directors of EPL did not want to give the manufacturer (PT Selamat Sempurna TBK as well as their representative company in Japan – collectively, "PT SS") a reason to raise any objections or try to sue EPL for EPL's use and registration of similar looking marks in the same class, the Opponent's maiden name, being different from that of her husband's, Ong, would help divert any such suspicions from PT SS.

44 In light of the evidence submitted, I find the Applicant's account as to the reason why the Sakura Marks are registered in the Opponent's name more credible than the Opponent's. The Opponent is the wife of Ong, a director of EPL and at the material point in time, the relationship between all the directors of EPL was still amicable.

45 The Applicant's account is also consistent with the role of the Applicant in EPL. The Applicant was the main marketing person of EPL at the relevant time (paragraph 121 of the Applicant's SD). This is also corroborated by (i) the evidence of Goh (Exhibit LK-11 of the Applicant's SD at page 123, in particular at paragraph 8); and (ii) the evidence of Alexey (Exhibit LK-13 at page 133, in particular at paragraph 10). On the other hand, the Opponent was the secretary and overall administrative person (paragraph 12 of the Opponent's own SSD). In such a circumstance, it would be more natural for the Applicant to be more involved in issues related to branding and intellectual property, rather than the Opponent.

46 Further, the Opponent's allegation of the Applicant being involved in "large scale counterfeiting" (paragraph 12 of the Opponent's SSD) activities is untenable. First and foremost, the Opponent referred to Kovalkov's evidence in the opposition matter involving T0719918D (paragraph 11 of the Opponent's SSD), which is related to this matter, to substantiate her argument. The Opponent should have tendered evidence to substantiate her argument for the current case separately. Secondly, even if I accept and cross refer to Kovalkov's evidence tendered in the opposition matter involving T0719918D, the Applicant in this case has explained, at paragraph 169 of the Applicant's SD, that EPL discussed with Eddy Hartono, the owner of PT SS (which owns the "Sakura" brand for fuel and oil filters) in 1999 where he did not object to EPL's proposal to sell related and complimentary products. In fact, in the opposition matter involving T0719918D, I came to the conclusion, based on the evidence tendered in that case, that Kovalkov had provided an acceptable explanation as to the "counterfeiting" activities which were essentially the trial project with PT SS.

47 It is also curious that even though the Applicant had been implicated in "large scale counterfeiting" (paragraph 12 of the Opponent's SD refers), the Opponent, via Zonac, would, in 2007, still opt do business with the Applicant (via JNBK Corporation).

48 Having gone through the parties' evidence, I am also of the view that the Applicant is a more credible witness. The Opponent has made several allegations in her evidence against the Applicant which the Applicant has been able to defend against and provide explanations. One example is the Opponent's allegation of the Applicant's involvement in "counterfeiting" activities (above). Another example is the Opponent's allegation with regard to the dishonoured cheque in paragraph 35 of the Opponent's SD which the Applicant explained that he had subsequently made

payment (paragraph 202 of the Applicant's SD and Exhibit LK-14 of the Applicant's SD).

49 The Applicant has also tendered evidence that the Opponent did not create the Sakura Marks. Reference is made to the statutory declaration of Ivan Ho (Exhibit LK-13 of the Applicant's SD at pages 128 and 129, in particular paragraphs 18 - 24). Reference is also made to the statutory declaration of Alexey (Exhibit LK-13 at page 134, in particular at paragraph 16).

50 The Applicant also deposed that at a meeting in July 2007, in the presence of EPL's auditor, Lui Ah Chong, Ong, Goh and the Applicant, the Opponent admitted that she did not own, amongst others, the Sakura Marks and had filed them knowing that they did not belong to her (paragraph 94 of the Applicant's SD). This account is corroborated by the evidence of Goh (Exhibit LK-11 at page 124, in particular at paragraphs 10 - 12). It is curious that the Opponent did not refute that such a meeting took place or that she made such an admission. No evidence in reply was filed by the Opponent to counter this.

51 The Applicant submitted that there should not be much weight accorded to these evidence as they were declared by people who are either obligated to the Applicant or stand to gain from the successful registration of the Application Mark. However, I am of the view that these deponents made declarations under the Oath and Declaration Act (Cap 211, 2001 Rev Ed). In the event that they made any false declarations, they would be subject to the penalties under the said Act.

52 Finally, it is noted that in the current case, the Opponent did not tender much evidence. The Opponent's SD which was filed on 2 October 2008 contained mainly the allegations which were already included in the Opponent's Notice of Opposition. The Opponent deposed, in the main, that the Application Mark looks exactly similar to the Opponent's earlier marks namely the Sakura Marks such that the Applicant is copying, infringing as well as passing off the Opponent's such marks. An interlocutory hearing was convened on 18 November 2008 to partly address this issue and the Registrar directed the Opponent to file a supplementary statutory declaration (Opponent's SSD). The Opponent's SSD was filed on 2 December 2008 as alluded to above. Subsequently, there was also no evidence in reply filed by the Opponent. Although it is not mandatory to file evidence in reply, taking the whole of the Opponent's case and bearing in mind that the Opponent has the burden of proof, it would appear that the Opponent's evidence is relatively minimal.

53 Taking all of the above into consideration, I am of the view that it is more probable than not that the Opponent did not create nor own the Sakura Marks. Thus, the Opponent's argument that the Applicant has misappropriated her marks does not stand. There is doubt as to whether the Sakura Marks on which the Opponent rely on to base her argument of misappropriation, were created and are owned by the Opponent to begin with.

54 In a civil matter as this, the legal burden of proof is on the Opponent and the standard of proof is on a balance of probabilities. I am of the view that in light of the above, the Opponent has not succeeded, on a balance of probabilities, in making out a

prima facie case that the Applicant has misappropriated her marks such that the Applicant did not have a right to apply for the Application Mark.

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

Ground of Opposition under Section 8(1)

56 Section 8(1) of the Act reads

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

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.

Opponent's Submissions

57 The Opponent submitted that pursuant to Section 8(1) of the Act, that the Application Mark is identical with the earlier trade marks of the Opponent namely the Sakura Marks and the goods for which the Application Mark is sought to be registered in Class 7 are identical with the goods for which the Sakura Marks are protected in Class 7.

58 The Opponent referred to *SA Societe LTJ Diffusion v Sadas Vertbaudet SA [2003] FSR 34 (ECJ)* (“*Sadas*”), where it was held that the criterion for identity had to be interpreted strictly. For marks to be identical, they had to be the same in all respects. However in that case, at [52] - [54], the ECJ went on to hold as follows:

52 However, the perception of identity between the sign and the trade mark must be assessed globally with respect to an average consumer who is deemed to be reasonably well informed, reasonably observant and circumspect. The sign produces an overall impression on such a consumer. That consumer only rarely has the chance to make a direct comparison between signs and trade marks and must place his trust in the imperfect picture of them that he has kept in his mind. Moreover, his level of attention is likely to vary according to the category of goods or services in question (see, to that effect, Case C-342/97 Lloyd Schuhfabrik Meyer [1999] E.C.R. I-3819 at para.[26]).

53 Since the perception of identity between the sign and the trade mark is not the result of a direct comparison of all the characteristics of the elements compared, insignificant differences between the sign and the trade mark may go unnoticed by an average consumer.

54 In those circumstances, the answer to the question referred must be that Art.5(1)(a) of the Directive must be interpreted as meaning that a sign is identical with the trade mark where it reproduces, without any modification or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average consumer.

59 Commenting on this holding, it was held by Jacob L.J in *Reed Executive Plc v Reed Business Information Ltd [2004] R.P.C. 40* at [27] that “[a]s a matter of policy there is no reason to suppose that the Court meant to soften the edges of “strict identity” very far. On this basis, the Honourable Justice held in that case that “Reed” and “Reed Business Information” were not identical marks but only similar ones.

60 The Opponent submitted, however, that unlike in that case, on the present facts, the differences in the trade marks are such that the average consumer is unlikely to notice them. Comparing the devices mark for mark, the Applicant’s flower device, despite being referred to in the trade mark application as a “plum flower” as opposed to the Opponent’s “sakura flower” device, has an identical shape and size to the Applicant’s device. Both flowers have identical small dark circles in the centre from which emanate an identical number of thin lines of equal length that represent the filaments of the stamens of the flower. In both flowers, the filaments end in small dots

that represent the flower's anthers and the filaments are stretched over a lighter background which is surrounded by 5 darker petals. The overlapping petals in both devices are indicated using a double line, and in both devices, the petals have thick edges. Apart from the fact that the Opponent's flower device has more subtly shaded petals than in the Applicant's flower device, the flower devices, which form the main element of both the Sakura Marks and the Application Mark, are identical.

61 The Opponent further submitted that the fact that the words in the Application Mark are different from those in the Sakura Marks and that these words are positioned differently in the Application Mark, are insignificant differences that the average consumer is unlikely to notice or remember. This is because the average consumer is likely to identify the Sakura Marks mainly by the flower device (the most prominent feature of the trade marks) and not by the words in the mark. As such, despite the differences in the words and in their positions, the Opponent submitted that the marks remain identical.

62 In addition, the Applicant, in claiming in his statutory declaration that he owns the copyright in the Opponent's flower device in the Sakura Marks because he designed the device (which is denied), and in arguing on that basis that he cannot be stopped from using the same flower device in his present application, admits that the flower devices are identical. In designing the device in this Application Mark, the Applicant has simply started with the Sakura Marks and made some minor modifications to them, none of which, whether jointly or separately, are sufficient to prevent the Application Mark from being identical to the Sakura Marks, from the viewpoint of the average consumer.

63 In *Richemont International SA v Goldlion Enterprise (Singapore) Pte Ltd* [2006] 1 SLR(R) 401 at [18], the Court held that to determine whether the goods are identical or similar, the first reference point is the specifications of the marks. If the goods listed are identical, then it can be assumed that the goods are identical for the purposes of Section 8.

64 On the facts, the Application Mark specifies goods in Class 7 which are identical with the specifications in the Sakura Marks. Therefore, the Opponent submitted that the goods protected under both marks are identical.

65 The Application Mark is in relation to both Class 7 and Class 12. The specifications under Class 7 are identical to those listed in the specifications of the Sakura Marks. Thus, the Applicant's application for the Application Mark in Class 7 should not be permitted because pursuant to Section 8(1) of the Act, the mark is identical with the Sakura Marks and the goods for which the Application Mark is sought to be registered in that class 7 are identical with the goods which are specified for the Sakura Marks.

Applicant's Submissions

66 The Applicant referred to *Sadas* where it was held that "the question whether the marks were identical should be interpreted strictly, that the later mark must produce without any modification or addition, all the elements constituting the trade

mark or where, when viewed as a whole, it must only contain differences so insignificant that they may go unnoticed by an average consumer”

67 The Applicant submitted that this principle has been accepted in Singapore in many other cases, including *Spa Esprit Pte Ltd v Esprit International* [2005] SGIPOS 2 and *Crown Confectionary Co Ltd v Morinaga & Co Ltd* [2008] SGIPOS 12 (“*Hichew*”).

68 The Applicant referred to *Mitac International Corp v Singapore Telecommunications Ltd and Another Action* [2009] SGHC 137 which accepted the principles in *The Polo/Lauren Co, LP v Shop In Department Store* [2006] 2 SLR 690 that there are three aspects to similarity, namely visual, aural and conceptual.

69 In *Hichew*, the learned Principal Assistant Registrar held at [71] that “the two elements that the Opponents must establish under this ground of opposition are identity of marks and identity of goods”. This has sometimes been referred to as the “double identity” requirement.

70 Further, in *Hichew*, the Principal Assistant Registrar accepted at [92] the earlier line of reasoning starting from *First Principal Financial Pte Ltd v Principal Financial Group, Inc* [2006] SGIPOS 2 (“*First Principal Financial*”) that “the effect of Section 8(1) is trusted because it removes the evidential burden of proving the requirement of a “likelihood of confusion”...Hence, with such an evidential concession, there is much justification in not relaxing the interpretation of the requirement of identity of marks under that section.” *Hichew* thus distinguishes the line of authorities towards a more liberal approach towards the identity of marks requirement.

71 In view of the above, the Applicant submitted that the Application Mark cannot be considered identical to the Sakura Marks:

(i) The Application Mark has the words “Filtration” and “Product” with “JS” in the middle. The text elements are superimposed directly on the flower device. The size of these text elements is small in comparison to the flower device.

(ii) On the other hand, the Sakura Marks have “J.SAKURA” and “J.ZAKURA” (T03/07028D and T04/09752F respectively). Further, the words “J.SAKURA” and “J.ZAKURA” are very prominent and appear in large font size.

(iii) On the point of the words alone, it is clear that the Application Mark is visually and aurally different from the Sakura Marks. Based on the well known principle that “words speak louder than devices”, the Applicant submitted that the Sakura Marks will be identified by the words “J.SAKURA” and “J.ZAKURA”. The Application Mark will probably be referred to as the “Filtration JS Product” mark. The Applicant submitted that it is impossible for “Filtration JS Product” to be visually or aurally confused with “J.SAKURA” or “J.ZAKURA”.

(iv) Even the flower device in the Application Mark cannot be considered identical to the Opponent’s flower device. The Applicant has described his flower as a “plum flower” whereas the Opponent describes her flower as “sakura flower” (ie

the flower of a cherry tree). The Applicant submitted that the only passing similarity is that both the Applicant's and the Opponent's devices are flowers. However, the Applicant submitted that nothing turns on this as flower devices are commonly used as trade marks.

Decision on Section 8(1)

72 At the outset, it is clear that the Application Mark in relation to Class 12 is not in issue since section 8(1) is not applicable (and Section 8(2) was not pleaded see above).

73 As to the principle which is applicable in relation to this Section it has been comprehensively dealt with in *Hichew* at [92] as submitted by the Applicant:

92 The issue of identity of marks has been well considered by various Principal Assistant Registrars of the Intellectual Property Office of Singapore. For present purposes, I would merely need to quote from *First Principal Financial* at [23, 25]:

There have been numerous cases dealing on the issue of identity under Section 8(1) of the Act. My colleague, Ms Arul Selvamalar, had considered the relevant cases in her Grounds of Decision dated 16 May 2005 for *In the Matter of a Trade Mark Application by Trend Promoters (Malaysian) Sdn Bhd and Opposition Thereto by Simmons Company*. I agree with Ms Arul that the case of *SA Societe LTJ Diffusion v SA Sadas 2003 FSR 608* represents the correct approach in ascertaining whether two marks are identical for the purposes of Section 8(1) of the Act. The earlier cases should be read and re-evaluated in light of the case of *SA Societe LTJ Diffusion v SA Sadas*. In *Sadas*, the ECJ held that the question of identity of marks was to be interpreted strictly and that there was identity between the marks if the former:

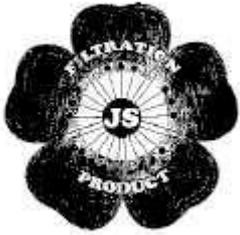
“reproduces, without modification, omission, or addition, all the elements constituting the trade mark or where, viewed as a whole, it contains differences so insignificant that they may go unnoticed by an average and reasonably well informed, observant and circumspect consumer”.

In coming to this interpretation of Section 8(1) of the Act, I am guided by the fact that the requirement of a likelihood of confusion is presumed once it has been established that the conflicting marks and their respective goods or services are “identical”. The effect of Section 8(1) of the Act is drastic because it removes the evidential burden of proving the requirement of a “likelihood of confusion” from the trade mark proprietor, which at times can be rather onerous. Hence, with such an evidential concession, there is much justification in not relaxing the interpretation of the requirement of identity of marks under that section. If a trade mark proprietor wishes to avail himself to Section 8(1), he must establish the fact of identity. Otherwise, he should rely on Section 8(2) where the requirement is that the marks be similar only.”

[Emphasis as underlined mine].

74 The Opponent has correctly identified the applicable principle by referring to *Sadas*. The Applicant referred to *Hichew* which in turn endorsed the principle as enunciated in *Sadas*. However, both parties differ in terms of the application of the principle to the facts. As per *Hichew*, the Opponent sought to compare the dominant feature for dominant feature, while the Applicant sought to compare mark for mark.

75 For ease of reference only, the Application Mark and the Sakura Marks are as follows:

Application Mark	Sakura Marks
	
	T0307028D
	
	T0409752F

76 Applying the principle in *Sadas*, I am of the view that the Application Mark is not identical to the Sakura Marks, namely, T03/07028D or T04/09752F. The Application Mark has the words “Filtration JS Product” subsumed within the flower device and the font utilised is fairly small. On the other hand, the Sakura Marks have “J. Sakura” and “J. Zakura” respectively below the flower devices and are prominently displayed in relatively larger font. The differences in the marks cannot be said to be “so insignificant that they may go unnoticed by an average and reasonably well informed, observant and circumspect consumer”.

77 In light of the above, there is no need for me to consider if the goods are identical. The opposition under Section 8(1) fails.

Conclusion

78 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 Applicant is also entitled to costs to be taxed, if not agreed.

Dated this 29th day of August 2012

Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore