

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

Trade Mark Application No. T0817189E
24 April 2013

IN THE MATTER OF A TRADE MARK APPLICATION BY

TSUJIMOTO KENZO

AND

OPPOSITION THERETO BY

KENZO

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

Ms Yvonne Tang (Drew & Napier LLC) for the Applicant

Mr M. Ravindran with Ms Sueann Lee (Ravindran Associates) for the Opponents

Cur Adv Vult

GROUND OF DECISION

1 Tsujimoto Kenzo (“the Applicant”), applied to protect the trade mark “KENZO ESTATE” (“the Application Mark”) in Singapore on 21 August 2008 (“Application Date”) under International Registration No. 953373 (Singapore Trade Mark No. T0817189E) in Class 33 in respect of “Wine; alcoholic beverages of fruit; western liquors (in general)”.

2 The application was accepted and published on 19 February 2010 for opposition purposes. Kenzo (“the Opponents”) filed their Notice of Opposition to oppose the protection of the Application Mark on 21 June 2010. The Applicant filed his Counter-Statement on 29 October 2010.

3 The Opponents filed evidence in support of the opposition on 15 July 2011. The Applicant filed evidence in support of the application on 16 January 2012. The Opponents' evidence in reply was filed on 18 May 2012. The Pre-Hearing Review was held on 18 June 2012, after which leave was granted to both parties to file further evidence. The Applicant filed his further evidence on 18 January 2013 and the Opponents filed their further evidence on 23 January 2013. The opposition was heard on 24 April 2013.

Grounds of Opposition

4 The Opponents rely on Sections 8(4)(i), 8(4)(ii), 8(7)(a) and 7(6) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”) in this opposition.

Opponents’ Evidence

5 The Opponents’ evidence comprises a Statutory Declaration made by Noelia Martinez, IP Manager of LVMH Fashion Group representing the Opponents on 25 June 2011 in France (“the Opponents' First SD”), as well as a Statutory Declaration in Reply made by the same deponent on 14 May 2012 in France (“the Opponents' Second SD”). In addition, the Opponents filed a further Statutory Declaration made by Noelia Martinez on 18 January 2013 in France (“the Opponents' Third SD”).

Applicant’s Evidence

6 The Applicant's evidence comprises a Statutory Declaration made by Tsujimoto Kenzo himself on 12 January 2012 in Japan (“the Applicant's First SD”), as well as a further Statutory Declaration made by the same deponent on 8 January 2013 in Japan (“the Applicant's Second SD”).

Applicable Law and Burden of Proof

7 As the applicable law is the Act, there is no overall onus on the Applicant either before the Registrar during examination or in opposition proceedings. The undisputed burden of proof in the present case falls on the Opponents.

Background

8 The Applicant is the proprietor and founder of a winery called KENZO ESTATE, located at 3200 Monticello Road in Napa Valley, California, in the United States of America. The Application Mark is named after the winery, which is derived from the Applicant's own name, Tsujimoto Kenzo.

9 The Applicant began growing grapes in Napa Valley in 2001 and by 2008, KENZO ESTATE released its first vintage wine. Since 2008, KENZO ESTATE wines have been served in many fine-dining establishments in the United States and Japan, including a number of Michelin-starred restaurants. Between 2008 and 2010, the Applicant has garnered respectable sales in Japan and the United States ("US"), though KENZO ESTATE wines have not been formally launched in Singapore to date. The Applicant also owns registrations and/or applications for the mark "KENZO ESTATE" in, *inter alia*, Class 33, in several jurisdictions across the world such as Japan, US and Europe.

10 The Opponents are a fashion house engaged in the manufacture, sale, and distribution of a wide range of products including clothing, fragrances, skincare products, houseware and leather goods. The Opponents began as a fashion label founded by Kenzo Takada in Paris in 1970. In 1988, the Opponents expanded their business to include perfumery and, subsequently, cosmetics.

11 The Opponents have a stable of registered marks in Singapore for the word "KENZO" in Classes 3, 8, 9, 11, 14, 16, 18, 20, 21, 24, 25, 27, 34 and 35 ("the Opponents' word mark"). The Opponents have also registered a stylized version of the mark in Classes 18 and 25 in Singapore as set out below:



("the Opponents' stylised mark")

I will refer to the Opponents' word mark and the Opponents' stylised mark collectively as "the Opponents' KENZO Marks".

12 The Opponents' shopfront in Singapore was set up in the early 1990s at Ngee Ann City, Takashimaya Shopping Centre, 391 Orchard Road, Level 2, Singapore 238873 ("Ngee Ann City Boutique").

13 In 1993, the Opponents' business was acquired by French conglomerate Moët Hennessey Louis Vuitton S.A. ("the LVMH Group").

14 In 1997, Hennessy, a cognac maker, launched a special cognac vintage named "HENNESSY BY KENZO". It was the first spirit to be packaged by a "world-famous" fashion designer, Kenzo Takada himself. The first vintage was released in 1997 and the second in 1999. It was sold exclusively through DFS Group outlets in Asia and the United States. This product was targeted at consumers in the US, Indonesia, Singapore, Taiwan, Hong Kong, New Zealand and Australia. The Opponents' sales figures for HENNESSY BY KENZO, which appear to be a summary of the Opponents' sales figures worldwide, are as follows:

Year	Number of bottles sold	Turnover (USD)
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1997/8	10,215	1,829,042
1999	5,432	1,493,556
2000	2,638	1,092,840

MAIN DECISION

Ground of Opposition under Section 8(4)(b)(i)

15 Section 8(4)(b)(i) of the Act reads:

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

...(b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —

(i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark.

Opponents' Submissions

16 Under this ground, it is submitted that the Application Mark clearly adopts the essential feature of the Opponents' KENZO Marks (i.e. the word element "KENZO" by itself) and is similar to the Opponent's KENZO Marks. The Opponents submit that the suffix "ESTATE" in the Application Mark is merely descriptive and does not add any visual difference to consumers.

17 In support of their contention that the Opponents' KENZO Marks are well known, the Opponents rely on the following:

- a) The Opponents' Ngee Ann City Boutique is a prominent and popular shopping centre in Singapore with heavy human traffic, therefore the Opponents' KENZO boutique and brand name would be highly visible to the Singapore public.
- b) The Opponents' KENZO brand was the opening act for the Singapore Fashion Festival in 2001.
- c) The acquisition by the LVMH Group contributed to the Opponents becoming LVMH's second largest fashion house after Louis Vuitton.
- d) The Opponents have 630 points of sales throughout the world including 156 dedicated stores and 470 multibrands (among which 75 are in Asia and Australia).
- e) The Opponents have substantial sales and advertising figures for goods sold under the Opponents' KENZO Marks.

- f) The Opponents' KENZO Marks have been registered in Singapore since 1982 and such registrations reflect that consumers will associate the Opponents' KENZO Marks with the Opponents.
- g) The Opponents' KENZO Marks have been accepted by international publications as a famous or well known brand name and trade mark (Exhibit NM-3 and NM-4 of the Opponents' First SD).
- h) The Opponents are on the same footing as leading brand names such as Chanel, Dior, Gucci, Valentino and Versace, because they have a special monograph dedicated to it, a factor that was recognized by Appeal Board in Europe, Case R1659/2011-2 (the "EU Decision").

18 The Opponents also submit that they have been steadily expanding their business beyond the fashion business. This includes a perfume line in 1988, a skin care line in 2001, as well as other offerings such as bedlinen, sportswear, shoes and furniture. The Opponents also claim to have branched out into the wine business since 1997 with the release of HENNESSY BY KENZO (see [14] above). It is their submission that since it is common for fashion houses to lend their names or endorse alcoholic beverages, the public would immediately draw a connection with the Opponents upon seeing the Application Mark. The present case would therefore be similar to the case of *Tiffany & Co v Fabriques de Tabac Reunies SA* [1999] 2 SLR(R) 541 ("*Tiffany*"), where the court held that luxury brands have been known to license their trade marks for use on cigarettes even though they do not themselves produce such articles. The Opponents submit that the likelihood of confusion would be greater here since they had actually ventured into the wine business.

19 The present case is also submitted to be similar to the case of *Clinique Laboratories, LLC v Clinique Suisse Pte Ltd and another* [2010] 4 SLR 510 ("*Clinique*") in that both brands have a long history and had put in extensive advertising efforts in various media which are circulated both in Singapore and internationally.

20 With regard to the element of damage, the Opponents submit that there may be damage arising from a limitation to the expansion of the Opponents' business into wines. The Opponents also submit that the Applicant's use of the Application Mark would cause them to lose the possibility of licensing or franchising another trader to use the "KENZO" name in relation to wine. This would severely damage the Opponents' interests as licensing is an essential tool in their business model. Third, the Opponents submit that there would be a misappropriation of the Opponents' goodwill and reputation; and the loss of exclusivity and erosion of the distinctiveness of the Opponents' Kenzo brand. The Opponents fourthly submit that inferiority in the quality of the Applicant's wines would tarnish the goodwill attached to the Kenzo brand. Finally, the Opponents face the likelihood of damage if the Applicant were to get into financial, legal or other trouble as the public might assume that it were the Opponents who were facing these difficulties.

Applicant's Submissions

21 The Applicant submits that there is no similarity between the Opponents' KENZO Marks and the Application Mark. They are visually, aurally and conceptually dissimilar.



22 The Applicant submits that "KENZO" is heavily stylized and only the word "KEN" with the side profile of a face is discernible, whilst the Application Mark is a word mark "KENZO ESTATE". The Applicant submits that the marks are aurally dissimilar given that the Application Mark consists of 4 syllables whilst the Opponents' KENZO Marks consists of 2 syllables each. The Applicant also submits that there is no conceptual similarity as KENZO is a common masculine Japanese name and also the Applicant's first name. The Applicant submits that the case of *Cardinal Place Trade Mark*, BL 0/339/04 ("*Cardinal Place*") is more appropriate to determining similarity in this case and that the suffix "ESTATE" is likely to have a "qualifying effect" on the name "KENZO", making it sufficiently different from the word KENZO on its own.

23 With regard to whether the Opponents' KENZO Marks are well known, the Applicant submits that that the "relevant public" would be the actual and potential consumers in Singapore of the Opponents' high-end designer fashion clothing, distributors of high-end designer fashion clothing and other businesses and companies dealing in high-end designer fashion clothing.

24 The Applicant critiqued the Opponents' evidence in this regard as follows:

- a) There was no evidence to show that the Opponents' goods were sold outside of the Ngee Ann City Boutique.
- b) Participation in just one fashion festival (the Singapore Fashion Festival 2001) is no indication that the Opponents' KENZO Marks are well known, as fashion festivals are common in Singapore.
- c) The various materials on the Opponents' notoriety, such as a list of the Opponents' sales outlets, internet articles on the Opponents' formation and creation, copies of magazine and newspaper extracts, internet printouts reporting on the Opponents or its products, sales and advertising figures, random invoices and advertisements and the Opponents' media plans, should be disregarded because:
 - i. these materials post-date the Application Date or are undated, save for 4 pages at Exhibit NM-3 and some media plan documents under Exhibit NM-8;
 - ii. no supporting documents were appended in support of the sales and advertisement figures;
 - iii. the random invoices evidencing sales in Singapore referred to sales transactions between the Opponents in France and Belbon Pte Ltd in Singapore, and not sales to consumers in Singapore, and the identity of Belbon Pte Ltd is unknown.
 - iv. The random invoices are limited only to various clothing items such as "2 pieces suit", "waist coat", "trousers".

- v. It is unclear how "media plans" assist in showing whether a mark is well known or not.

25 The Applicant further submits that there is no confusing connection between the Applicant's goods and the Opponents for the following reasons:

- a) The relevant segment of the public are buyers of luxury goods who would only buy after careful inspection and deliberation: *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 ("*City Chain*") citing *Samsonite Corp v Montres Rolex SA* [1995] AIPR 244 ("*Samsonite*") (cited also in *Nation Fittings (M) Sdn Bhd v Oystertec plc and another suit* [2006] 1 SLR(R) 712; [2005] SGHC 225 ("*Nation Fittings*")).
- b) The Applicant's wines are not likely to be mistaken for a French wine as the label would state "Napa Valley" in the US.
- c) The Application Mark and the Opponents' KENZO Marks co-exist in many countries, particularly in the US.
- d) There is no evidence of sales of HENNESSY BY KENZO to Singapore consumers, as the invoices exhibited by the Opponents only show sales transactions between DFS Trading Ltd in Switzerland and DFS Singapore (Pte) Ltd for items labelled as "samples" or "packs and dummies" which do not appear to be items meant for sale.
- e) The sale to DFS was by Hennessey and not by the Opponents.
- f) HENNESSY BY KENZO appears to have been released as limited edition collectors' items, as only 2 vintages were released in 1997 and 1999.
- g) The collaboration between designers and manufacturers of alcoholic beverages are unlikely to result in confusion because of the high price point of such collaboration products (e.g. \$23,000 limited edition XO bottle in a separate collaboration between Hennessy and Berlutti).
- h) The Australian court in a similar opposition action between the same parties (the "Australian Decision") has regarded such exercise as "co-branding rather than brand extension".
- i) The Opponents had registered "KENZO" in respect of Class 33 in 1991 but did not use the mark, resulting in the Applicant's successful application to revoke the mark in 2009, in Singapore as well as in other countries.
- j) Any likelihood of confusion was merely speculative or hypothetical. *Clinique and Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") should be distinguished as the successful plaintiffs in those cases had survey evidence establishing a likelihood of confusion. The Applicant also relied on the Australian Decision, where it was held that there was no likelihood of confusion.

26 With regard to damage, the Applicant submits that the case of *Sarika* should be distinguished from the present case. The court felt the necessity to protect Nutella's business expansion into chocolate drinks only because it found that Nutella had already expanded its product line to offer a chocolate drink product in France, whilst the Opponents' HENNESSY BY KENZO product was only a co-branding exercise which was not even enough to show use for the purposes of a revocation proceeding. The

Applicant submits that the more relevant case authority in this regard was *Mobil Petroleum Co., Inc v Hyundai Mobis* [2010] 1 SLR 512 ("*Mobil*").

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

27 Under Section 8(4)(b)(i), the Opponents have the burden of establishing the following:

- a) The whole or essential part of the Application Mark is identical with or similar to the Opponents' KENZO Marks
- b) The Opponents' KENZO Marks are well known in Singapore
- c) Use of the Application Mark in relation to the goods claimed would indicate a connection with the Opponents
- d) Use of the Application Mark is likely to damage the Opponents' interests

28 I will address each of these elements in turn.

Similarity of Marks: Principles

29 The Court of Appeal in *Sarika* at [16] (affirmed by the Court of Appeal recently in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] SGCA 26 ("*Hai Tong*") at [39]) held that:

The decided cases have established that the court will consider three aspects of similarity, viz, visual, aural and conceptual similarity: *Polo (CA)* at [24]; *Mobil Petroleum Co., Inc v Hyundai Mobis* [2010] 1 SLR 512 at [17]. However, it is not a pre-requisite that all three aspects of similarity must be made out before there can be a finding of similarity between the sign and the mark: *Mediacorp News Pte Ltd v Astro All Asia Networks plc* [2009] 4 SLR(R) 496 at [32] ("*Mediacorp*"). The relative importance of each aspect of similarity varies with the circumstances, in particular, with the goods and types of marks: *Mediacorp* at [32], citing Bently and Sherman, *Intellectual Property Law* (Oxford University Press, 3rd ed, 2009) ("*Bently & Sherman*") at p864. Simply put, a trade-off between the three aspects of similarity can be made, and each case ought to be viewed in its own context: *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 1 SLR 382 ("*Ozone Community*") at [40]. Whether there is similarity between the sign and the mark is a question of fact and degree for the court to determine: *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 ("*City Chain*") at [47]; *Johnson & Johnson v Uni-Charm Kabushiki Kaisha (Uni-Charm Corporation)* [2007] 1 SLR(R) 1082 at [9] ("*Johnson & Johnson*").

30 In addition to the passage above, the Court of Appeal in *Hai Tong* held at [40(b)] that in assessing similarity between two contesting marks, the court considers them as a whole but does not take into account any external added matter or circumstances because the comparison is mark for mark. This inquiry should be undertaken from the

perspective of the average consumer who would exercise some care and a measure of good sense in making his or her purchases, and it is assumed that the average consumer has "imperfect recollection", such that the contesting marks are not compared side by side and examined in detail for the sake of isolating particular points of difference. The court will consider the general impression likely left on the essential or dominant features of the marks (at [40(c)-(d)]).

31 Also, the distinctiveness of the Opponents' KENZO marks is relevant in the analysis of similarity between marks. The Court of Appeal in *Hai Tong* at [25] reiterated the explanation in *Sarika* at [20] that:

...the "distinctiveness" of the registered trade mark is a factor to be considered in the visual, aural and conceptual analysis to determine whether the allegedly infringing sign and the trade mark are similar. It stands to reason that the more distinctive the registered trade mark, the more it is necessary to show sufficient alterations to, or difference in, the sign in order that it may not be held to be similar to the trade mark.

Similarity of Marks: Analysis

32 The Application Mark bears some visual similarity with the Opponents' word mark because of the word element "KENZO". In the Application Mark, "KENZO" appears as the first part of a two-worded mark. While "KENZO" is not the only element in the Application Mark, the other element being "ESTATE", it is nevertheless an essential part of it as the word "KENZO" contributes materially to the identity and essence of the Application Mark.

33 On the other hand, I find that the Application Mark is neither identical with nor similar to the Opponents' stylised mark. This is because the latter is highly stylised, to the extent that the letters "Z" and "O" are depicted as a nose and an eye respectively. The relative size of the letters in "KENZO" in the Opponents' stylised mark are also irregular, unlike the regular font and size of the letters "KENZO ESTATE" in the Application Mark.

34 I further find that the two marks are aurally similar but only to a small extent. The test for aural similarity for word marks is usually a quantitative assessment of the relative number of syllables which two marks have in common: *Sarika* (citing *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 1 SLR 382 ("*Ozone Community*")) at [28]. The more syllables in common, the more aurally similar the marks; for example "NUTELLA" and "NUTELLO" where two out of three syllables are identical. I agree with the Applicant's that the marks would sound different in the sense that the Application Mark consists of four syllables whilst the Opponents' KENZO Marks would comprise just two syllables. Further, there are only two syllables in common between the marks, whereas the Application Mark is four syllables long.

35 However, the beginnings of marks can be dominant and I cannot dismiss the observation that aurally, both the Application Mark and the Opponents' KENZO Marks begin with the same sounds. This would leave an impression of overlap in the mind of the public, especially on first impressions. The case here is rather different from the marks "HYSTERIC GLAMOUR" and "GLAMOUR" in *Ozone Community*, which were found to be aurally dissimilar. There, Ozone's word mark *starts* with the entirely separate word "hysteric" preceding the word "glamour" ([56] of *Ozone Community*) but here, the common syllables are at the beginning of the marks and the stress is on "KEN" – the first syllable – when the marks are pronounced.

36 Conceptually, the word "KENZO" brings to mind a personal name. However, the word "ESTATE" qualifies "KENZO" such that the Application Mark as a whole suggests a spacious place instead. It is not disputed that both the Opponents and the Applicant have simply used their own founders' names in coming up with a brand name for the products they had each conceptualized and created (see the Opponents' First SD at page 3, paragraph 6 and the Applicant's First SD at page 2, paragraph 5).

37 In finding that the marks are not conceptually similar, I agree with the Applicant's submission that the decision in *Cardinal Place* is similar to the present facts. In *Cardinal Place*, although "Cardinal" was the dominant and distinctive feature of the competing marks "Cardinal" and "Cardinal Place", the court held that the word "Place" operated to change the meaning of the mark such as to change the perceptions and recollections of the average consumer from an "ecclesiastical" to a "locational" one (see [13] and [15]).

38 I now consider the distinctiveness of the Opponents' KENZO Marks. The Court of Appeal in *Sarika* opined at [35] that the distinctiveness of the earlier mark is a factor to be considered in the similarity analysis. The court cited an extract from *Bently & Sherman* at [36] as follows:

In *Bently & Sherman* at pp 866-867, the learned authors state that the question of whether marks are similar will oftentimes depend on the inherent or acquired distinctiveness of the mark for the goods for which it has been registered. Therefore, if the trade mark is highly distinctive, it follows that a sign which has been substantially modified may possibly still be regarded as similar. For such trade marks, then, there is a high threshold to be met in creating a sign or a mark sufficiently dissimilar to it. Inherently distinctive marks include those which comprise inventive words without any notional or allusive quality, an example being the word "Volvo": *Polo (CA)* ([14] supra) at [23]. Here, the "Nutella" word mark is an invented word with no particular meaning to it; it possesses a considerable degree of inherent distinctiveness.

39 In the same extract from *Bently & Sherman* (at pp. 866-867), the learned authors' view is as follows:

First, the *less* distinctive the earlier trade mark, the *less* literal or visual alternation is necessary to ensure that the latter mark is not similar...Where the distinctiveness of

the earlier trade mark is very low, the later mark will have to be in close proximity for it to be similar, as with THERMAWEAR and THERMAWARM. *The same principle applies to common names which intrinsically have a low level of distinctiveness.* (Emphasis added)

40 In the present case, I think the average member of the public in Singapore is equally likely to construe the word "KENZO" as a personal name of Japanese origin, as much as a sign that may serve as a badge of origin. I am partly persuaded by the Applicant's evidence which shows that the name "KENZO" has been used in relation to a number of live business entities in Singapore:

	Name of business entity	Description of business
a)	Club de Kenzo	Cabarets, night clubs, discotheques and karaoke lounges
b)	Kenzo Design & Printing	Commercial printing
c)	Kenzo Interior & Design	Renovation contractors
d)	Kenzo Lighting Consultant Pte Ltd	Lighting and lighting accessories wholesaling and retailing
e)	Kenzo Marine & Engineering Pte Ltd	Repair of ships, tankers and other ocean-going vessels
f)	Kenzotech Singapore Pte Ltd	Development of other software and programming activities

41 That there are some business entities in seemingly unrelated fields all using the word "KENZO" in their names suggests that it can be perceived as a personal name not uncommonly used in trade in Singapore. The Opponents have also not canvassed a substantive argument on acquired distinctiveness in respect of their KENZO Marks, and their position appears to be that their KENZO Marks are inherently distinctive instead.

42 Overall, I would assess the level of distinctiveness of the Opponents' KENZO Marks as medium, certainly not as high a level as "Volvo" or "Nutella". In light of the medium level of distinctiveness of the Opponents' KENZO Marks in the similarity analysis, I find that (a) the Application Mark and the Opponents' word mark are visually and aurally similar to a small extent but conceptually not similar; and (b) the Application Mark and the Opponents' stylised mark are aurally similar to a small extent but visually and conceptually not similar.

Well Known in Singapore: Principles

43 In assessing whether a trade mark is well known in Singapore, the Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd and Another* [2009] 3 SLR(R) 216 ("*Amanusa*") held that regard must be had to Section 2(7) of the Act which states:

Subject to subsection (8), in deciding, for the purposes of this Act, whether a trade mark is well known in Singapore, it shall be relevant to take into account any

matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:

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

44 In interpreting how these factors should assist the court, the Court of Appeal in *Amanusa* held at [137] that "it appears that the court is ordinarily free to disregard any or all of the factors listed in s2(7) as the case requires (subject to [Section 2(7)(a) of the Act]), and to take additional factors into consideration."

45 Section 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore due to s 2(8) of the Act which states that "[w]here it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well known in Singapore", see [139] of *Amanusa*.

46 Consequently, the Opponents' KENZO Marks need only be well known to any relevant sector of the public in Singapore for them to be deemed to be well known in Singapore. I am also mindful that "it is not too difficult for a trade mark to be regarded as 'well known in Singapore' ", see *Amanusa* at [229].

Relevant Sector of the Public

47 Section 2(9) defines the "relevant sector of the public in Singapore" in section 2(7) and 2(8) as including any of the following:

- (a) all actual consumers and potential consumers in Singapore of the goods to which the trade mark is applied;
- (b) all persons in Singapore involved in the distribution of the goods to which the trade mark is applied;
- (c) all businesses and companies in Singapore dealing in the goods to which the trade mark is applied.

48 The court in *Amanusa* discussed the ambit of the phrase "all actual consumers and potential consumers in Singapore of the goods" at [152] and concluded that "the inquiry is much more focused and manageable if one looks only at the specific goods or services to which the [Opponents'] trade mark has been applied (i.e., if one considers only the [Opponents'] goods or services)."

49 The Applicant submits that the relevant sector of the public would be actual and potential consumers in Singapore of the Opponents' high-end designer fashion clothing, distributors of high-end designer fashion clothing and other businesses and companies dealing in high-end designer fashion clothing. The Opponents have not made any specific submission in this regard.

50 In the present case, having regard to the evidence, I find that the relevant sector of the public would be the actual and potential consumers in Singapore of the Opponents' fashion apparel, perfumery and cosmetics. This includes, for example, members of the public in Singapore who have bought articles of clothing, perfumes or cosmetics from the Opponents' Ngee Ann City Boutique and those whom may have seen the Opponents' advertisements in public spaces in Singapore.

Well Known in Singapore: Analysis

51 The question then turns to whether the Opponents' KENZO Marks were well known to this relevant sector of the public as at 21 August 2008, the Application Date. The relevant sales and advertisement figures would be those up to 21 August 2008.

52 The Opponents' relevant sales figures in Singapore for fashion on the one hand and perfumery and cosmetics on the other hand are as follows:

<u>SINGAPORE</u>						
FASHION BUSINESS					PERFUMERY AND COSMETICS	
Year	Sales figures (EUR)		Sales figures (SGD- at the rate of conversion at 1 July of the year)		Sales figures (EUR)	Sales Figures (SGD- at the rate of conversion at 1 July of the year)
	Wholesale	Retail	Wholesale	Retail		
2006	508,950	n/a	1,027,091	n/a	n/a	n/a
2007	498,224	n/a	1,029,530.07	n/a	1,827,000	3,786,402
2008	327,291	556,000	702,562.86	1,193,509.6	2,628,000	5,642,499

53 The Opponents' advertisement figures in Singapore for perfumery and cosmetics are as follows:

SINGAPORE		
PERFUMERY AND COSMETICS		
Year	Advertising Figures (EUR)	Advertising Figures (SGD – at the rate of conversion at 1 July of the year)
2006	534,000	1,106,698
2007	579,000	1,243,153
2008	573,000	1,157,230

54 The Applicant submits that much of the Opponents' evidence is irrelevant to determining whether the Opponents' KENZO Marks are well known in Singapore, as the materials post-date the Application Date or because there were insufficient supporting documents in respect of the sales and advertisement figures supplied by the Opponents (see [24(c)] above).

55 I agree with the Applicant to the extent that there is a substantial amount of evidence which is irrelevant because it post-dates the Application Date. There is also little evidence supporting the sales and advertisement figures submitted by the Opponents. In particular I observe that:

- a) The Opponents have submitted sales figures for 2006 to 2008 in relation to their fashion business, but the submitted random invoices supporting such sales were only for the years 2005 to 2007.
- b) The Opponents have divided the sales figures for 2006 to 2008 in relation to their fashion business into "wholesale" and "retail" but do not have retail figures for fashion for 2006 and 2007 – i.e. there are only complete wholesale and retail sales figures for just one year (2008).
- c) The Opponents' sales figures for perfumery and cosmetics are not supported by any invoices.
- d) The Opponents have not disclosed any advertising figures for the Singapore market in relation to fashion, although the Opponents have adduced about 200 pages of evidence of various fashion magazines and some 460 pages of "media plans" including Singapore.
- e) Out of the 200 pages of evidence of various fashion magazines circulated in Singapore, only three extracts (9 pages in total) fall within the relevant time period and do not post-date the Application Date. Additionally I note that these three extracts are all from the same year (2008).
- f) Despite the Opponents giving evidence that they have spent more than S\$1 million per year (2006 to 2008 inclusive) on advertisements for perfumery and cosmetics, there is no evidence of any advertisement for perfumery and cosmetics.

56 Although the Opponents have not provided supporting invoices to cover all the years for which sales figures have been given, these figures do appear in a properly

executed statutory declaration by the IP Manager of LVMH Fashion Group representing the Opponents.

57 The Opponents' evidence relevant in an assessment whether their KENZO Marks are well known in Singapore is therefore reduced to the following:

- a) Sales revenue (wholesale) for 3 years for fashion business (wholesale) to Singapore of about S\$1 million in each of 2006 and 2007 and S\$700,000 in 2008.
- b) Sales revenue (retail) for 2008 for fashion business of about S\$1.2 million.
- c) Sales revenue for 2 years for the perfumery and cosmetics business of about S\$3.8 million in 2007 and S\$5.6 million in 2008.
- d) Advertising figures for perfumery and cosmetics of slightly more than S\$1 million per year from 2006 to 2008 inclusive.
- e) 9 pages of advertisements in fashion magazines.
- f) Participation as the opening act of the Singapore Fashion Festival 2001, which was described in an Internet report as consisting of "a series of events that is targeted at the masses" (see page 152 of the Opponents' Third SD).

58 The Singapore Fashion Festival in 2001 is also likely to have generated much hype and publicity for the Opponents, given that it was an event targeted broadly at the public and supported by the Singapore Tourism Board. Furthermore, I note that the Opponents' Ngee Ann City Boutique has been their public retail point in Singapore from the early 1990s to the relevant date, for about 18 years. Since Ngee Ann City is a shopping mall located in a prime shopping district in Singapore, it is likely that many members of the relevant sector of the public in this case would have been exposed to the Opponents' KENZO Marks.

59 Whilst the Opponents' evidence could have been more comprehensive, the present case may be distinguished from the case of *Grand Tec Resources Pte Ltd v The Gates Corporation* [2006] SGIPOS 7 ("*Grand Tec*"), which was cited by the Applicant for the proposition that the type of evidence that is required is more substantial than just evidence of sales revenue and advertising expenditure. In *Grand Tec*, the Opponents' evidence did not even show that the relevant trade mark was used in the advertisements. Although the principle in *Grand Tec* may be of general application, each case will have to be decided on its own facts.

60 In the overall analysis I find that the Opponents' KENZO Marks are well known to the relevant sector of the public in Singapore. However, in coming to my decision, I bear in mind the low threshold set by the Court of Appeal in *Amanusa*.

Use of Application Mark Indicating Connection with the Opponents

61 It has been settled by the Court of Appeal that when determining whether use of the Application Mark indicates a connection with the Opponents, a likelihood of confusion must be shown: *Sarika* at [76]-[77]. The Court of Appeal in *Hai Tong* at [92] held that the inquiry into the likelihood of confusion is a separate enquiry from that of the similarity between the marks or between the goods and services to which they are

applied. Therefore, despite having earlier found that the Application Mark is similar to the Opponents' KENZO Marks, I will go on to assess whether there is a likelihood of confusing connection.

62 In this enquiry, I am guided by the following factors set out by the court in *Hai Tong* at [94]:

- (a) the disparity in the prices of the goods or services concerned (see *Polo (CA)* at [27] and [34]), where this goes towards drawing out the real and substantive differences between them or towards highlighting the different degrees of care likely to be applied by the prospective customer in each instance. As observed by Jacob LJ in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40 at [78], “a fifty pence purchase in the station kiosk will involve different considerations from a once-in-a-lifetime expenditure of £50,000”;
- (b) the nature of the customer and of the article in question (see *Polo (CA)* at [27] and also [the court's] observations at [85(c)(i)] and [87] above);
- (c) the degree of similarity between the contesting marks and the overall impression given by them (see *Polo (CA)* at [28]; see also [the court's] observations at [85(c)] generally and, in particular, at [85(c)(iii)] above);
- (d) the imperfect recollection of the average consumer (see *Polo (CA)* at [28]), because this is directly related to the likelihood of confusion in this group;
- (e) the locations at which the goods or services concerned are sold or offered (see *Polo (CA)* at [34]), because this might aid in assessing the real similarities or differences between the goods or services as well as between the respective groups of customers that each category of goods or services might attract;
- (f) the steps taken by the defendant to differentiate his goods or services from those of the registered trade mark proprietor (see *Polo (CA)* at [28]), because this goes directly to the degree of similarity or difference between the goods or services in question; and
- (g) the importance of the goods or services concerned to the consumer. As observed by the European General Court in *Trubion*, medicinal products, whether or not acquired on prescription, and dietetic products in general may be regarded as products to which consumers who are reasonably well-informed and reasonably observant and circumspect will pay a high degree of attention. It goes without saying that this category of products is not closed.

63 The court in *Hai Tong* held at [85(c)(iii)] that:

"[a]s a self-evident proposition, the greater the similarity, the more likely the confusion may ensue. A showing of some similarity between the contesting marks may not suffice to cross the threshold when the nature of and the differences between the products bearing the marks as well as the circumstances and characteristics of the relevant segment of the public are taken into account.

64 The nature of the goods and services of the Opponents and the Applicant are very different in this case. The Opponents deal primarily in retail and wholesaling services in the field of high-end fashion, their offerings being mainly clothes, shoes, perfumes, cosmetics and other accessories. The Opponents' KENZO Marks are registered in Classes 3, 8, 9, 11, 14, 16, 18, 20, 21 24, 25, 27, 34 and 35. The Applicant is a wine producer in Napa Valley, California, and seeks protection for his trade mark in Class 33 in respect of "Wine; alcoholic beverages of fruit; western liquors (in general)." It is interesting that the Opponents have not opposed the Application Mark under Section 8(2)(b) for similar marks in relation to *similar* goods or services. Essentially, I am dealing with a case where both the parties' marks and their goods and services differ from each other's.

65 The present case is distinguished from *Tiffany*, where the marks were identical, i.e. "Tiffany" for luxury jewellery and "Tiffany" for cigarettes. The court in *Tiffany* noted at [49] that "the font and style used by the respondents is almost identical to that of the appellants."

66 The court in *Tiffany* also accepted at [46] that "manufacturers of luxury brand goods have been known to licence their trade marks for use on cigarettes even while they might not themselves produce or be particularly well known for smokers' articles". The present case is different. There is no evidence from the Opponents on the prevalence of such licensing arrangements. The Opponents' only evidence of a connection between fashion and alcoholic beverages consist of some internet printouts showing fashion designers who have teamed up with producers of alcoholic beverages to produce limited edition bottles (see pages 1158 -1165 of the Opponents' First SD). The Opponents' deponent, Noelia Martinez, also states that "it is in fact common for fashion labels, or fashion designers to *lend their names or otherwise endorse* products beyond clothing and accessories, including alcoholic beverages" (paragraph 27 of the Opponents' First SD) (emphasis added).

67 The Court of Appeal in *Amanusa* has held at [108] that "a close connection" is "a commercial activity which is a natural expansion of the first activity in which the claimant already established goodwill in." I am of the view that such close connection between fashion and alcoholic beverages has not been established. Unlike the licensing situation in *Tiffany* where the cigarette manufacturers have bought the right to use the luxury brand's goodwill to sell their product, in this case, it is primarily the alcoholic beverage manufacturer's goodwill that sells their alcoholic beverages.

68 In this regard, I agree with the observation made in the Australian Decision that the collaboration between Hennessy and the Opponents appears to be an exercise in co-branding rather than a business extension by the Opponents into the liquor-making

business (see Applicant's Second SD at page 50). My view is supported by the following observations from the evidence tendered by the Opponents, which shows that the goodwill in HENNESSY BY KENZO remained primarily Hennessy's, and not Kenzo's (emphases added):

- a) Page 1137 of the Opponents' First SD – An article titled "Press Articles on the Hennessy-Kenzo Cobranding", where one Christophe Navarre, then-new CEO of Hennessy, stated that he had "decided to face the overproduction crisis in finding new markets and in launching new products";
- b) Page 1139 of the Opponents' First SD – An article from "Travel Retailer International" in February 1998 stating that it was *Hennessy* that had launched "a radical new generation Cognac";
- c) Page 1141 of the Opponents' First SD – An article in Duty Free Business magazine dated January 1998 titled "Spirited design by Kenzo for Japanese ladies", where Hennessy's International Duty Free Director, one Clive Carpenter, when asked how HENNESSY BY KENZO was "different", said that he felt that "any Hennessy product must be faithful to- and reinforce – key *Hennessy* brand values", describing the product as "an *association* of two famous brand names";
- d) In the same article (at (c) above), when questioned on whether HENNESSY BY KENZO would help the Hennessy brand, Clive Carpenter answered that it "will definitely help the *Hennessy* brand";
- e) Page 1142 of the Opponents' First SD – in an article from Duty-Free News International dated January 15-31 1998, described the product as "*Hennessy's* radical new generation cognac";
- f) Page 292 of the Opponents' Third SD – invoices showing that Hennessy had been the company to export the product to DFS Singapore (Pte) Ltd.

69 The present case is therefore different from *Amanusa*, where the court held at [85] that the respondent there had put forward "cogent evidence that the luxury hotel and resort market as a whole is "converg[ing]" with the residential accommodation market". No such cogent evidence is present here.

70 Further, the Opponents' case can be distinguished from *Clinique*. Crucially, the appellant in *Clinique* had adduced evidence of a street intercept survey in Singapore on 408 interviewees which demonstrated, *inter alia*, that some 46% of those interviewed were confused between the two competing marks (at [35] and [38] of *Clinique*). There was no such survey evidence here to assess the public's perception of the competing marks.

71 With regard to the "relevant public", I agree with the Applicant's submission that the observation in *City Chain* at [56] applies to the present case:

The average consumer is not an unthinking person in a hurry but someone who would exercise some care and good sense in making his purchases (see Polo at [34]). This is all the more so when it involves high-end luxury products, to which the Respondent [Louis Vuitton]'s products belong. In this regard, we are reminded of the observations by PS Tan (for the Registrar of Trade Marks) in

Samsonite Corp v Montres Rolex SA [1995] AIPR 244 (cited at [99] of *Nation Fittings*) that luxury goods are bought after careful inspection and deliberation.” (emphasis added)

72 PS Tan’s comments in *Samsonite* as cited in *Nation Fittings* are as follows:

... I note that when luxury goods are purchased, it is not like, as Parker J put it in the *Pianotist* case, 'somebody going and asking for washing soap in a grocer's shop.' *Rather, luxury goods are bought after careful inspection and deliberation. Customers of luxury goods belong to a discerning class of purchasers. This would greatly reduce the risk of confusion.*

73 The Applicant has helpfully pointed out that the items sold by the Opponents are relatively expensive, such as a scarf being priced at S\$850, a dress priced at S\$1,320 and cropped pants priced at S\$810. The Opponents' customers are therefore likely to be well-heeled customers who would take extra care to inspect a product before buying the same. However, the Opponents' customers may also include one-off buyers from middle-income backgrounds who may wish to purchase a particular item for a special occasion.

74 The Applicant has yet to launch his products in Singapore, but for the purposes of analysis, I adopt the position taken by *Hai Tong* at [85(c)(ii)] where it was held that "if the registered mark in question is not yet being used, it would be legitimate for the court to assume that it is or will be used in a normal and fair manner and assess the likelihood of confusion on that basis, having regard to the way in which the defendant is using his allegedly infringing sign."

75 From the evidence before me, the Applicant has been selling his wines in "many fine-dining establishments in the United States and Japan, including but not limited to a number of Michelin-starred restaurants" since 2008 (Applicant's First SD at page 5). So far, the use of the Application Mark on its wine appears limited to a small ring around the bottle neck of each of its wine bottles (at page 444 of the Applicant's First SD). However, as highlighted by the Opponents, I also note the possibility in future that the Application Mark may be used more prominently on the front sticker on the body of the wine bottle. My assessment will take into account this possibility, as I find that it is not farfetched for the Application Mark to be used in this manner. The words "Napa Valley" also feature prominently on the front of each of the Applicant's wine bottles.

76 The Applicant's wines are named after variations of the word "purple" in Japanese, which has been reported to be "a hat tip to the traditional colour of Japanese royalty" (at page 157 of the Applicant's First SD). As of 2010, the Applicant's winery had produced four wines, priced between US\$60 – US\$150 per bottle (at page 157 of the Applicant's First SD). These prices have been described as "steep" and "[not] exactly affordable" (at pages 144 and 149 of the Applicant's First SD). The Applicant, in an interview with San Jose Mercury News on 13 May 2010, stated that he was looking to produce very high quality wine but at good value (at page 101 of the Applicant's First SD).

77 Given the above, the Applicant's wine is likely to be sold to exclusive wine retailers and/or directly to hotels and restaurants with a reputation for fine dining, while the Opponents' goods are likely to be sold in Singapore mainly through their Ngee Ann City Boutique. (I note that a list of some locations where the Opponents' perfumes are sold has been tendered by the Opponents, but that this evidence consists of an Internet printout which post-dates the Application Date.) Whilst the locations at which the Opponents' and Applicant's goods are sold will not be the same, they appear targeted at the same relevant public. Hypothetically, it is conceivable that a fashion-conscious, well-heeled customer at the Opponents' Ngee Ann City Boutique in Singapore could head to a Michelin-starred restaurant in Singapore for dinner, and therefore encounter both the Opponents' KENZO Marks and the Application Mark.

78 However, given the high prices of both the Opponents' and the Applicant's goods, the relevant consumer is likely to attach more importance to what is being purchased and exercise a higher degree of circumspection in this regard. Upon encountering the Applicant's wine bottle, it would be quite obvious to the relevant consumer that the wine comes from the Napa Valley in California and is not a wine of French origin. As a discerning consumer he or she would know that wines are typically identified by the region that they come from. The reference to the word "ESTATE" in "KENZO ESTATE" would evoke a place in the Napa Valley to the relevant consumer. Being from a discerning class of consumers, he or she is likely to be able to differentiate the Applicant's wine easily from the "KENZO" fashion brand which is of French origin.

79 Overall, on a balance of probabilities, I find that the Opponents have not established that the use of the Application Mark would indicate a confusing connection with the Opponents.

Damage to the Opponents' Interests

80 With regard to the alleged limitation of expansion of the Opponents' business, there needs to be a genuine intention to expand the business in Singapore: *Mobil* at [101], *Sarika* at [57].

81 The Opponents submit that there is a close connection between the Opponents' and Applicant's fields of activity. I have stated, for the reasons above, why I have found that there is no such close connection in the present case. The Opponents have not established that they are already in the alcohol business, or that they have already expanded into the field of manufacturing alcoholic beverages anywhere overseas.

82 The factual matrix in *Mobil* rather than that in *Sarika* is closer to the facts of this case. In *Sarika* the court accepted evidence that the appellant had already expanded into a related field of activity (chocolate drinks) in France. This was not the case in *Mobil*, where the appellant claimed that it had plans to set up a one-stop solution for automobiles, providing goods and services relating to both automobile lubricants and automobile parts. The court observed that the appellant had failed to embark on this route

for some 50 to 60 years and therefore, there was no real evidence of expansion into the automobile parts industry.

83 Similarly in this case, there is no real or cogent evidence of any expansion by the Opponents into the alcoholic beverages industry. Since their predecessor was founded in 1970, no alcoholic beverages have been manufactured or produced by the Opponents. Furthermore, we note that the Opponents did not resist the Applicant's application to revoke their plain word mark "KENZO" in Class 33 for "alcoholic beverages (except beers) and champagne" (see pages 552 to 562 of the Applicant's First SD). At the hearing, the Opponents' reason for not doing so was simply that there was no use of the mark prior to 2009, but that there was an intention to go into the alcoholic beverage business. We find this difficult to accept since the Opponents have also represented that they went into the alcoholic beverages business in 1997 with the launch of HENNESSY BY KENZO. Certainly, if the Opponents had already entered into the alcoholic beverages business by then, there would be reason to contest the Applicant's revocation application.

84 The Court of Appeal in *Amanusa* opined that "the recognition of loss of licensing opportunity or licensing income as a distinct head of damage should be approached conservatively" (at [113]) and likewise, a claim for misappropriation of goodwill and reputation (at [115]). In *Doctor's Associates Inc v Lim Eng Wah (trading as Subway Niche)* [2012] 3 SLR 193, the court considered this head of damage specifically and went further to hold that misappropriation of goodwill and reputation is not an acceptable head of damage.

85 The Opponents' evidence neither supports a finding on the above claims to damage nor the other heads of damage canvassed, such as tarnishment of the Opponents' goodwill due to inferiority in the quality of the Applicants' goods; or damage to the Opponents should the Applicant get into financial, legal or other trouble. Such claims are wholly speculative and opportunistic and the Opponents have not substantiated them to any serious degree with relevant evidence.

86 By reason of all the foregoing I find that the ground of opposition under Section 8(4)(b)(i) fails.

Ground of Opposition under Section 8(4)(b)(ii)

87 Having decided that the Opponents' KENZO Marks are well known to the relevant public in Singapore, I now turn to consider whether the Opponents' KENZO Marks can further be said to be well known to the public at large in Singapore, under Section 8(4)(b)(ii) of the Act.

88 Section 8(4)(b)(ii) of the Act reads:

8. — (4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004, if the whole or an essential part of the

trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if —

...

(b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —

(ii) if the earlier trade mark is well known to the public at large in Singapore –

(A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or

(B) would take unfair advantage of the distinctive character of the earlier trade mark.

89 The Court of Appeal in *City Chain* held at [92] that in determining whether a trade mark is well known to the public at large in Singapore, one must have regard to the factors listed in Section 2(7) of the Act. The court elaborated at [94] that to come within the definition of being well known to the public at large in Singapore, the mark "must necessarily enjoy a much higher degree of recognition" such that it must be "recognized by most sectors of the public" although not so far as to say "all sectors of the public."

Opponents' Submissions

90 The Opponents' submissions in respect of Section 8(4)(b)(ii) are similar to that under Section 8(4)(b)(i) and I will not repeat them here. In this regard the Opponents cited dicta from the EU Decision (referred to at [17(h)] above) where the Appeal Board found for the Opponents and held that the "numerous retail outlets which exist throughout the European Union, the detailed international media planning strategies, the historical data about KENZO and the growth and influence of his boutiques throughout Europe, the success of his fashion designer collections, are all so well documented that it is inconceivable that the reputation of the KENZO range of products can be denied." The Opponents also submit that its case is similar to *Clinique* because both brands (Clinique and Kenzo) have a "long history", "extensive advertising efforts in various media" and a presence in "numerous departmental stores". By virtue of this, the Opponents' KENZO Marks would similarly be well known to most sectors of the public in Singapore.

Applicant's Submissions

91 The Applicant's submissions for Section 8(4)(b)(ii) are also similar to those made under Section 8(4)(b)(i). In addition, the Applicant highlights that marks that are well known to the public at large is a category of trade marks which is reserved for a privileged few.

Decision on Section 8(4)(b)(ii)

92 I am mindful of the Applicant's point described above, observing that the Court of Appeal in *Amanusa* has held at [233] that:

A second, much more extensive level of protection is granted to trade marks which have attained the coveted status of being "well known to the public at large in Singapore." These trade marks, which form *a rare and exclusive class*, are entitled to protection from use of the defendant's trade mark on dissimilar goods or services even in the absence of a likelihood of confusion... (emphasis added)

93 I find that the EU Decision does not assist the Opponents at all in Singapore. First, this decision is presently on appeal. Second, the EU Decision only considers evidence that is relevant to the EU market and not to Singapore. The findings in *Clinique* also do not have any application to the Opponents in the present case, in view of the paucity of evidence as described at [55] above. In comparison and contrast, the judge in *Clinique* was satisfied by the plaintiff's evidence of advertising, promotional and marketing expenditure of its brand for 4 years (2004 – 2008) in the region of S\$3 million each year, with sales figures of about S\$10 million each year. There was also evidence of some 13 stores and counters with their products located in Singapore (see [39] and [41] of *Clinique*).

94 In view of the foregoing, the Opponents' KENZO Marks do not fall into this rare and exclusive class of trade marks which are well known to the public at large.

95 The ground of opposition under Section 8(4)(b)(ii) therefore fails and it will therefore be unnecessary for me to consider the elements of dilution or unfair advantage in this regard.

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

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

- 8.** — (7) A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented —
- (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade
- ...

Opponents' Submissions

97 The Opponents submit that goodwill can be limited to particular sections of the public: *Hai Tong* at [113]-[114]. Based on their submissions on whether the Opponents' KENZO Marks were well known, the Opponents claimed to have developed a sustainable business over a period of time which was sufficient to invoke the court's protection in a passing off action.

98 Based on the goodwill that was acquired through long prior use as well as their entry into the wine market in 1997, as well as the recent collaborations between fashion houses and wine makers, the Opponents argue that a likelihood of confusion would arise as there was sufficient similarity between the Opponents' KENZO Marks and the

Application Mark. The Applicant was passing off his goods as those of the Opponents by using a similar get-up (i.e. by using the Application Mark) on his goods which was sufficiently similar to the Opponents' KENZO Marks.

99 As a result of the passing off the Opponents claim that they would suffer damage to their goodwill and reputation. The Opponents also cite *Hai Tong* at [118] and allude to damage in the form of a diversion of sales of their products due to the public's association of the Applicant's goods with the Opponent. It is not stated how such diversion of sales may potentially occur in this particular context.

Applicant's Submissions

100 The Applicant submits, on the basis of the Opponents' lack of evidence, that there is no goodwill established in the Opponents' business as at 21 August 2008. Even if there was goodwill, this is limited to the goods described in the sales invoices of the Opponents to the local distributor, Belbon Pte Ltd, namely various items of clothing and related accessories, such as a "2 pieces suit", "waist coat", "trousers", "skirt" and the like. The Opponents had no goodwill in alcoholic beverages as the goodwill in the HENNESSY BY KENZO product belongs to Hennessy, and not the Opponents.

101 The Applicant submits that mere confusion is not sufficient to prove the element of misrepresentation in the passing off action and the claimant has to prove that it is deception which moves the public to buy the defendant's goods: *Kerly's Law of Trade Marks and Trade Names* (15th ed) by James Mellor, David Llewelyn, Thomas Moody-Stuart, David Keeling and Iona Berkeley (London: Sweet & Maxwell 2011) at [18-194] – [18-195]. There would be no likelihood of confusion because parties are not in common fields of activity, the Opponents dealing with high-end designer fashion clothing and the Applicant with wine.

102 The Applicant also repeats earlier submissions that the use of the Application Mark would not be likely to damage the Opponents' interests.

Decision on Section 8(7)(a)

103 The test for passing off is uncontroversial and is summarized in the recent decision of *Hai Tong* at [109] as follows:

Passing off is also to be distinguished from the usual action for trade mark infringement because it will be necessary for the plaintiff in the former, but not in the latter, to prove that:

- a) he has goodwill in the business;
- b) his goodwill is associated with his mark or name or get-up; and
- c) because of the defendant's misrepresentation, his goodwill is likely to be damaged.

104 The court also recognised that in relation to the element of misrepresentation, the test under passing off is "probably a more demanding one than the corresponding inquiry in a trade mark infringement action" because the plaintiff in a passing off action needs to show that there has been deception of the public *through the defendant's misrepresentation*, whilst in an infringement action, a finding of confusing similarity between the marks would be sufficient: *Hai Tong* at [110]. In *Amanusa*, it was explained at [77] that "deception" means that there must be a likelihood of confusion *that arises from this misrepresentation*.

Goodwill

105 As stated by the Court of Appeal in *Hai Tong* at [111], goodwill is the "bedrock of the tort of passing off" and has famously been described as "the attractive force which brings in customers (see *The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 at 224)".

106 I have found that the Opponents' KENZO Marks are well known to the relevant public in Singapore, i.e. to the actual and potential consumers in Singapore of the Opponents' fashion apparel and perfumery (see [51] to [60] above). Based on the same evidence and similar reasoning, I also find that the Opponents enjoy goodwill in relation to these goods as sold to the public in Singapore.

Misrepresentation

107 The Opponents submit that the misrepresentation is simply the *use* of the Application Mark on the Applicant's wine products, as opposed to any *imitation* of the Opponents' get-up. The Opponents have earlier failed to persuade me that the use of the Application Mark on the Applicant's goods would indicate a connection with the Opponents such that, consequently, there would be a likelihood of confusion on the part of the public (see [61] to [79] above). Likewise, the Opponents have also failed to prove that there is any actionable misrepresentation in this case.

Damage

108 As the Opponents have failed on the issue of misrepresentation, it is not likely that they would have suffered any actual or potential damage under this element of the tort. In any case, the reasoning at [80] to [85] above similarly applies to this element under the Opponents' passing off claim.

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

Ground of Opposition under Section 7(6)

110 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

111 The Opponents submit that due to their long and extensive use, promotion and advertising of the Opponents' KENZO Marks worldwide and their longstanding prior registrations, it would be impossible to take the view that the Applicant had derived the Application Mark without any regard to the Opponents' KENZO Marks. The Opponents rely on the well known status of the Opponents' KENZO Marks and submit that the Application Mark was a reproduction of the "rare and distinctive name", Kenzo. This amounted to a misappropriation of the Opponents' goodwill and the application for protection in Singapore was therefore made in bad faith.

112 The Opponents submit that their case was similar to *FLOWSTACKA Trade Mark* [1996] FSR 414 ("*Flowstacka*"). The court held that "having regard to the number of FLOW marks already used by the applicants, I should suspect that any manufacturer who wished to use the word [i.e. "FLOWSTACKA"] was actuated by an improper motive." Similarly, since the Opponents had a family of KENZO and KENZO-formative marks, the Applicant was actuated by an improper motive in choosing to use the word "KENZO" as the essential feature of the Application Mark. The Opponents also submit that the Applicant had misappropriated their mark, applying the case of *Harrods Ltd v Harrodian School Ltd* [1996] RPC 697 ("*Harrods*").

113 At the hearing, the Opponents added that the Applicant's specification was unduly wide and that this was an instance of bad faith, citing Tan Tee Jim, S.C., *Law of Trade Marks and Passing Off in Singapore*: Sweet & Maxwell (2003) ("*Tan Tee Jim*") for the general principle.

Applicant's Submissions

114 The Applicant submits that an allegation of bad faith is a serious matter and should not be lightly inferred: *MacDonald's Corporation v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177, following *Royal Enfield Trade Marks* [2002] RPC 24. The test for bad faith is a combined subjective and objective one, based on what the applicant knows (subjective) and what ordinary persons adopting proper standards would think, following the case of *Wing Joo Long Ginseng Hong (Singapore) Co Pte Ltd v. Qinghai Xinyuan Foreign Trade Co Ltd and Another and Another Appeal* [2009] 2 SLR(R) 814.

115 The Applicant asserts that he is merely applying his own name to his goods. The Applicant did not wish to incorporate the Opponents' KENZO Marks or take advantage of any goodwill of the Opponents and vigorously denies the Opponents' allegations to this effect.

116 With regard to the Opponents' allegation that the specification of the Application Mark was unduly wide, the Applicant responds that the specification is in respect of

alcohol within Class 33. This was not a case where the Applicant was clearly not going to use the Application Mark on the goods claimed. The Applicant submits that the specification encompasses all items which he would be able to produce within his vineyard.

Decision on Section 7(6)

117 The leading authority on bad faith in Singapore at present is *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 (“*Valentino*”). Following the English case of *Gromax Plastics Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367, the Court of Appeal held at [25] that bad faith would include dealings falling short of standards of acceptable commercial behaviour by reasonable and experienced men in the particular area of trade being examined. Bad faith was a concept with “moral overtones”, encompassing behaviour which did not involve any breach of duty, obligation or requirement that is legally binding upon the applicant: *Valentino* at [26].

118 The legal burden of proof in this case lies with the Opponents: *Valentino* at [21]. In this regard the Court of Appeal in *Valentino* held at [30] that:

Furthermore, it is pertinent to note that an allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence (see *Nautical Concept Pte Ltd v Jeffery Mark Richard* [2007] 1 SLR(R) 1071 at [15] which we reproduce below):

An allegation that a trade mark has been applied for in bad faith is a serious one. In *Royal Enfield Trade Marks* [2002] RPC 508, it was held (at [31]) that:

A plea of fraud should not be lightly made ... and if made should ***be distinctly alleged and distinctly proved. It is not permissible to leave fraud to be inferred from the facts*** (see *Davy v. Garrett* [1878] 7 Ch. D. 473 at 489. In my judgment precisely the same considerations apply to an allegation of bad faith made under section 3(6) [of the UK Trade Marks Act 1994]. ***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 a process of inference.***

This principle of law was alluded to and accepted by a leading local text on Intellectual Property (Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore* (Sweet & Maxwell Asia, Rev Ed, 2009) at para 21.4.1):

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.*** (Emphasis original)

Misappropriation

119 The Opponents have not discharged their burden of proving that the Applicant misappropriated the name "Kenzo" in the Application Mark. In *Valentino*, the appellant made a similar submission, alleging that the respondent had "hijacked the Appellant's Valentino Marks because the Application Mark contained the same word "Valentino". The Court of Appeal rejected this submission and held that it was a "*non sequitur* [that] had absolutely no merit" as it would "amount to saying that the Appellant had a proprietary claim to a common name such as "Valentino": see [22]. Similarly, the Opponents' submission is a non-starter which, if accepted, would amount to a proprietary claim over the personal name "Kenzo" (see my earlier considerations on this point at [40] to [41] above).

120 Furthermore, the cases cited by the Opponents are not directly applicable to the present ground of opposition. In *Flowstacka*, the court's finding was relevant to the issue of whether the mark "FLOWSTACKA" was distinctive of the applicant under absolute grounds in the UK Trade Marks Act 1938. The issue was whether "FLOWSTACKA" was a registerable mark. There was no allegation of bad faith and the court did not address the same. The court used the term "improper motive" because it was the language of a test which the court had applied to determine whether the application mark in that case was capable of distinguishing the trader's goods.

121 In *Harrods*, the principle cited by the Opponents for "misrepresentation" had actually been cited by the court in relation to the second element of the tort of passing off. The plaintiff, Harrods Ltd., had appealed against the lower court's decision that the defendant's "Harrodian School Ltd" did not constitute passing off because there was no real likelihood of confusion. Once again, bad faith was not raised or discussed in this case.

122 Beyond a general allegation on misappropriation along the same lines as that made in *Valentino*, I cannot find sufficient evidence demonstrating how the Applicant had fallen short of some acceptable standard of commercial behaviour by reasonable and experienced men in the particular area of trade being examined.

Wide Specification

123 The Applicant seeks to protect the Application Mark in respect of Class 33 for "Wine; alcoholic beverages of fruit; western liquors (in general)." The Opponents take issue that this specification is too wide and the application is therefore made in bad faith; although they have not stated exactly *how* this specification may be too wide.

124 I find the Opponents' contention to be a bare assertion which is unsupported by any evidence. It is not disputed that the Applicant is the owner of a vineyard which grows its own grapes and may potentially be used for a variety of products within the specification as claimed.

125 Merely drafting a specification broadly does not necessarily mean that the application is made in bad faith. A line should be drawn between excessively wide specifications and ones which merely provide some room for possible brand extension: *Bently & Sherman*, para 4.4.1 at page 853. To support a finding of bad faith, there must be something more to suggest that there has been some unconscionable business conduct and/or moral impropriety on the applicant's part. For example, the extract cited by the Opponents in *Tan Tee Jim* makes reference to instances where the specification of goods may be too wide if the court finds that there is no use or intention to use the trade mark: see *Mickey Dees (Nightclub) Trade Mark* [1998] RPC 359; *Demon Ale Trade Mark* [2000] RPC 345 and *Betty's Kitchen Coronation Street Trade Mark* [2000] FSR 825 (cited in *Tan Tee Jim*). The Opponents have not made any submission on the Applicant's conduct nor intent in this regard.

126 The Opponents' case under this ground of opposition does not meet the required standard of proof on a balance of probabilities. The ground of opposition on Section 7(6) therefore fails.

Conclusion

127 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition fails on all grounds. Accordingly, protection in Singapore is conferred on International Registration No. 953373 (Singapore Trade Mark No. T0817189E). The Applicant is also entitled to costs to be taxed, if not agreed.

Dated this 24th day of July 2013

See Tho Sok Yee

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore