

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

Trade Mark Nos. T0908522D, T0908520H & T0813569D  
15 July 2013

**IN THE MATTER OF A REGISTERED TRADE MARK**

**AND TRADE MARK APPLICATIONS BY**

**SIN FATT INDUSTRIAL CO., SDN BHD**

**AND**

**APPLICATION FOR INVALIDATION**

**AND OPPOSITION THERETO BY**

**STAR INDUSTRIAL COMPANY LIMITED**

Hearing Officer: Ms Diyanah Binte Baharudin  
Assistant Registrar of Trade Marks

Mr Melvin Pang and Ms Anna Toh (Amica Law LLC) for the Applicants for Declaration of Invalidity (in T0813569D) and the Opponents (in T0908522D & T0908520H)

Mr Prithipal Singh (Patrick Mirandah Co.) for the Registered Proprietors (in T0813569D) and the Applicants (in T0908522D & T0908520H)

*Cur Adv Vult*

## GROUND OF DECISION

1 Sin Fatt Industrial Co., Sdn Bhd (the "**Applicants**") applied to register the following trade marks in Singapore on 31 July 2009 ("**Application Date**") in Class 21 in respect of the following goods:

Trade Mark No.	Application Mark	Application Date	Date published in Trade Marks Journal	Specification of Goods
T0908522D		31 July 2009	20 August 2010	Toothbrushes
T0908520H		31 July 2009	17 September 2010	Toothbrushes

(collectively, the "**Application Marks**")

2 The Applicants are also the Registered Proprietors of the following trade mark in Class 21 in respect of the following goods:

Trade Mark No.	Mark	Registration Date	Specification of Goods
T0813569D		2 October 2008	Toothbrushes

(the "**Registered Mark**")

3 Star Industrial Company Limited filed their notices of opposition to oppose the registration of the Application Marks on 20 December 2010. On the same date, Star Industrial Company Limited also applied to invalidate the Registered Mark. The Applicants filed their counter-statements to both the opposition and the invalidation actions on 19 April 2011. For convenience, Star Industrial Company Limited will be referred to as the "**Opponents**" in these grounds of decision.

## **Procedural History**

4 On 16 June 2011, the Opponents applied to consolidate both the opposition and invalidation actions on the ground that all three matters were "identical in all material aspects". The Registrar allowed the Opponents' request for consolidation and confirmed that only one set of evidence needed to be filed for all matters.

5 On 17 August 2011, the Opponents filed evidence in support of the actions they had initiated. The Applicants filed evidence in support of their position on all matters on 16 February 2012. The Opponents' evidence in reply was filed on 18 June 2012. The Pre-Hearing Review / Ad-hoc Case Management Conference was held on 2 August 2012, after which leave was granted to both parties to file further evidence. The Applicants filed their further evidence on 2 October 2012 and the Opponents filed their further evidence on 30 November 2012. The opposition was heard on 15 July 2013.

## **Grounds of Opposition/Invalidation**

6 The Opponents rely on Sections 8(2)(b), 8(4)(b)(i), 8(4)(b)(ii), 8(7)(a) and 7(6) of the Trade Marks Act (Cap 332, 2005 Rev. Ed.) ("**the Act**") in the opposition and invalidation matters.

## **Opponents' Evidence**

- 7 The Opponents' evidence comprises the following statutory declarations:
- 1) 1<sup>st</sup> statutory declaration of Chan Wai Ling dated 5 August 2011 ("**Chan's 1<sup>st</sup> SD**");
  - 2) 2<sup>nd</sup> statutory declaration of Chan Wai Ling dated 15 June 2012 ("**Chan's 2<sup>nd</sup> SD**");
  - 3) 1<sup>st</sup> statutory declaration of Toh Soh Lam dated 28 November 2012 ("**Toh's 1<sup>st</sup> SD**"); and
  - 4) 3<sup>rd</sup> statutory declaration of Chan Wai Ling dated 27 November 2012 ("**Chan's 3<sup>rd</sup> SD**").

## **Applicants' Evidence**

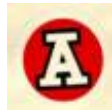
- 8 The Applicants' evidence comprises the following statutory declarations:
- 1) 1<sup>st</sup> statutory declaration of Annie Lam dated 15 February 2012 ("**Lam's 1<sup>st</sup> SD**"); and
  - 2) 2<sup>nd</sup> statutory declaration of Annie Lam dated 28 September 2012 ("**Lam's 2<sup>nd</sup> SD**"), exhibiting the 1<sup>st</sup> statutory declaration of Low Eng Bak dated 25 September 2012 ("**Low's 1<sup>st</sup> SD**").

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

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

**Background**

10 The Opponents were incorporated in Hong Kong in 1949 and is the largest plastic manufacturer in Hong Kong. They are presently engaged in the manufacture, sale and distribution of over 600 products including toothbrush holders, houseware, kitchenware, catering and restaurant supply, office products, heavy-duty containers, component parts and medical containers. The products they initially manufactured included brush products such as toothbrushes, hair brushes and lint brushes. The Opponents state in Chan's 1<sup>st</sup> SD that they market all their products under the following logo, which had been independently derived by the Opponents in or around 1952:



(the "A Logo")







11 In March 1969, the Opponents incorporated a subsidiary, Star Plastics Industrial Company (Private) Limited (the "Singapore Subsidiary") and, in a joint venture with Singaporean investors, set up a factory in Singapore. Factory operations began in Singapore in July 1969 and sales in Singapore began on August 1969. The Opponents applied to register another trade mark on 3 December 1969, in Class 21. This trade mark expired on 3 December 2004 and was removed from the trade mark register on 3 June 2005:

Trade Mark No.	Mark	Specification of Goods
T6947882F		Combs, soap boxes, coat hangers, cups, bowls, saucers, powder containers, butter containers, bottles, basins, fruit trays and chopsticks (all plastic) and all kinds of brushes including tooth brushes.

(the "Red A Mark")

12 In or about 1971, the Opponents took legal action in Singapore against one Yap Kwee Kor (trading as New Star Industrial Co), for passing off. The matter eventually reached the Privy Council on 26 January 1976, where the Opponents' appeal was dismissed. This well-known decision is reported as *Star Industrial Co Ltd v Yap Kwee Kor (trading as New Star Industrial Co)* [1976] SGPC 1 ("*Star Industrial*"). I should pause here to state that the admissibility of certain facts stated in *Star Industrial* are disputed by the parties and will be discussed later on.

13 On 25 August 1975 the Opponents registered the following trade marks (which are presently valid and subsisting) in Classes 06, 11, 16, 20, 21 and 26:

Registered Trade Mark No.	Mark	Specification of Goods
T7565283B		<u>Class 06</u> Containers for liquid fuel.
T7565284J		<u>Class 11</u> Artistic lamps, lighting fixtures and chandeliers.
T7565285I		<u>Class 16</u> Paper clips, rulers and pencil boxes.
T7565288C		<u>Class 20</u> Waste and shopping baskets.
T7565289A		<u>Class 21</u> Small utensils and portable containers for household and kitchen use (not of precious metals or coated therewith).
T7565290E		<u>Class 26</u> Coat and garment hangers.

14 At the hearing, the Opponents clarified that they are only claiming the registration in Class 21 in T7565289A as the prior trade mark (the "**Prior Mark**").

15 The Applicants were incorporated in Malaysia in 1972 by one Yap Kwee Kor. On 28 January 1988, the Applicants were sold complete with assets to the present owners. A copy of the Sale and Purchase Agreement shows that it was sold by Low Yap Chin and Yap Kwong Meng to Ho Perk Chee and Ho Pak Cherng. The Applicants state in submissions that the sale was made by the same Yap Kwee Kor and that the Applicants' present deponent, Annie Lam, is the wife of the late Ho Pak Cherng. In any event, there is no dispute as to the parties to this contract or the fact that it was made (although the contract was discussed in relation to another point on bad faith). Yap Kwee Kor, trading as Sin Fatt Trading Co (a different entity from the present Applicants), commenced sales of toothbrushes in Malaysia in 1966 under the following mark ("**the ACE trade mark**"), which was registered in Malaysia on 6 August 1966:



16 Yap Kwee Kor started selling toothbrushes under the said trade mark in Singapore in the 1970s. The Applicants have tendered numerous sales receipts in support of the revenue it has derived from the sale of toothbrushes under the Application Marks and the Registered Mark in Singapore (collectively, the "**Applicants' Marks**") from 1980 to 2011:

<b>Year</b>	<b>Approximate amount (SGD)</b>
1980	33,000.00
1981	94,464.04
1982	93,000.00
1983	82,950.00
1984	4,374.00
1985	36,747.28
1986	45,496.30
1987	41,478.00
1988	20,245.14
1989	50,855.00
1990	52,615.60
1991	60,937.25
1992	52,312.70
1993	48,017.25
1994	45,929.88
1995	62,788.50
1996	80,826.20
1997	66,919.75
1998	70,709.35
1999	64,213.50
2000	51,351.50
2001	81,131.75
2002	63,547.75
2003	62,147.19
2004	60,000.00
2005	51,246.86
2006	57,960.00
2007	55,650.00
2008	46,884.83
2009	27,650.46
2010	29,820.47
2011	23,181.83
<b>Total</b>	<b>1,718,452.38</b>

## MAIN DECISION

### Preliminary Issues

#### *Request for Prior Registrations*

17 Prior to the hearing date, the Applicants made a request to the Registry for copies of the Opponents' prior registrations in 1975 (see [13] above). However, as the request was made one working day prior to the date of the hearing, the Applicants' request was still being processed at the time of the hearing. In any event, counsel for the Applicants confirmed in his oral submissions that he would no longer require this information and that he would not rely on the same.

#### *Admissibility of Privy Council decision*

18 The Applicants and the Opponents both made reference to the Privy Council's decision in *Star Industrial* for various factual propositions. In particular, the Opponents referred to the Privy Council's finding that there was an irresistible inference that the Respondents, represented by Mr Yap Kwee Kor, had adopted get-up that was indistinguishable from the Opponents and that he would have at least considered that the reputation of the Opponents, which retained sufficient value in 1968 to make it worth his while to appropriate the benefit for himself (*Star Industrial* at [5]) and that the Opponents' (now-defunct) Singapore Subsidiary had "a residue of goodwill" in Singapore in 1968, pursuant to what the Opponents termed an "exclusive licence" (*Star Industrial* at [10]-[12]). The Applicants also made reference to *Star Industrial* for several propositions of fact, including the fact that the Opponents did not export any toothbrushes to Singapore after October 1965 (*Star Industrial* at [4]).

19 Counsel for the Opponents submitted that the factual conclusions in *Star Industrial* were admissible for the purposes of the present opposition proceedings, whilst counsel for the Applicants submitted that I should only take judicial notice of the decision itself, as the facts in the present opposition proceedings still needed to be proved by evidence. Neither the Opponents nor the Applicants had prepared any legal submissions on this issue. I shall address this issue since it pertains to several findings of fact which are material to my decision on the grounds of opposition.

20 As a general rule, a previous judgment of a court is a determination based on separate and independent facts and is not relevant to subsequent proceedings: see **Pinsler, Jeffrey, Evidence, Advocacy and the Litigation Process (3<sup>rd</sup> edition) (Lexis Nexis: 2010) ("Pinsler")** at p 253:

A previous judgment of a court is a determination based on separate and independent facts. Therefore, as a general rule, it is not relevant to subsequent proceedings which may involve different issues, facts and/or parties. More specifically a judgment is the opinion of a court in relation

to a prior proceeding and, therefore, not *prima facie* relevant. Its exclusion has also been justified on the basis that it is hearsay to the extent that it is admitted as evidence of the facts to which it relates. However, there are various circumstances in which a previous judgment may be admitted (NB: The footnote to the last sentence refers to Sections 244 and 245 of the Criminal Procedure Code 2010 concerning previous convictions and acquittals).

21 Indeed, only one party is the same, ie. the appellants in *Star Industrial* are the Opponents in the present case. The respondent in *Star Industrial* is an individual, Mr Yap Kwee Kor, whilst the Applicants in the present case, Sin Fatt Industrial Co. Sdn. Bhd., is a Malaysian company. The issue between the appellants and respondents in *Star Industrial* was whether the respondents had passed off his toothbrushes as those of the appellant in 1968. This is different from the issue of passing off under Section 8(7)(a) of the present proceedings, some 30 years later, involving a different respondent and a different scope of goods.

22 Even if the parties and the issues are substantially the same, Pinsler notes that a previous judgment may only be admissible in subsequent proceedings as an exception to the hearsay rule pursuant to Section 33 of the Evidence Act (Cap. 97, 1997 Rev. Ed) ("**Evidence Act**"), ie. if the witnesses involved are "dead or cannot be found or [are] incapable of giving evidence, or [are] kept out of the way by the adverse party, or if [their] presence cannot be obtained without an amount of delay or expense which under the circumstances of the case the court considers unreasonable": *Pinsler* at p 253, fn 2, read with p 208-209. No such circumstances have been shown in this case.

23 Neither is the recognition of facts in a previous judgment a matter which the court (and, in this context, the Registrar) must take judicial notice. Section 59 of the Evidence Act, which governs the matters which the court must take judicial notice of, does not cover previous judgments. Furthermore, whether the court takes judicial notice of a fact not within the scope of this section depends on the extent to which the fact is generally known, and the relevant test is "whether sufficient notoriety attaches to the fact involved as to make it proper to assume its existence without proof": *Pinsler* at [11.03], p 377, citing *Sarkar on Evidence*, 13<sup>th</sup> ed, p 606. None of the facts to which the Opponents and the Applicants refer fall within Section 59 or are of sufficient notoriety such that I should take judicial notice of the same.

24 In view of the above, I decline to take judicial notice of the findings of fact relied upon by the Privy Council in *Star Industrial*. I will only consider the evidence that is present before me in these proceedings.

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

25 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.

### *Goodwill*

#### *Opponents' Submissions*

26 The Opponents submit that they enjoyed valuable and substantial goodwill in Singapore as at 2008/2009. Despite the Opponents ceasing direct operations in Singapore on 13 May 1995, they continued to maintain a business presence in Singapore through their distributors, including Poh Hua Industrial Pte Ltd, Sia Huat Private Limited and Ngai Bee Trading Pte Ltd. The Opponents submit that, at common law, the rightful proprietor of a mark is the person who first uses the mark, citing, *inter alia Weir Warman Ltd v Research & Development Pty Ltd* [2007] SGHC 59 ("*Weir Warman*"). Since the Opponents had used the A Logo in 1952 and first used it in Singapore in 1958 (Chan's 1<sup>st</sup> SD, at [15]), whereas the Applicants only used it in 1966, the Opponents would be the rightful proprietor of the A Logo in Singapore. The Opponents submit that the Applicants, in using a logo identical to the one previously used and promoted by the Opponents, on goods previously sold by the Opponents, is merely perpetuating and contributing to the goodwill the Opponents had established in the A Logo and the "ACE" name in Singapore: *Mary Wilson Enterprises Inc.'s Trade Mark Application* [2003] EMLR 14 ("*Mary Wilson*"). The Opponents argue that the Applicants' use of the mark had been deceptive and they therefore cannot rely on any independent goodwill accrued as a result thereof: *Budejovicky Budvar NP v Anheuser-Busch Inc* [2010] RPC 7 ("*Budejovicky*").

27 The Opponents rely on the following to prove their goodwill in respect of the A Logo up till 2008/2009. I will first list the facts asserted by the Opponents in their evidence, followed by an analysis of the same:

- 1) The Opponents had the following gross revenue and incurred the following advertising costs in Singapore between 1960 and 1965:

Year	Gross revenue in Singapore (SGD)	Advertising costs in Singapore (in excess of:-) (SGD)
1960	1,087,272.15	30,000
1961	1,226,472.50	30,000
1962	1,345,443.10	30,000
1963	1,435,641.30	30,000
1964	1,493,717.30	10,000
1965	1,628,813.15	10,000

- 2) Copies of untranslated Chinese newspaper advertisements dated between June 1961 and November 1962 (nine pages);

- 3) In March 1969, the Opponents incorporated a Singapore Subsidiary and set up a factory locally, with operations beginning in July 1969 and sales beginning in August 1969. The Opponents also registered the Red A Mark in the same year (see [11] above). A picture of the factory appears in a magazine titled "Hong Kong Plastics" dated October 1975 (Chan's 1<sup>st</sup> SD, Exhibit D);
- 4) The Opponents' sales figures in Singapore between 1972 and 1976 are as follows:

Year	Amount
1972	\$155,607.80
1973	\$161,554.80
1974	\$129,947.90
1975	\$163,338.60
1976 (Jan – Aug)	\$89,569.95

- 5) The Opponents ceased direct operations within Singapore with the winding up of the Singapore Subsidiary on 31 May 1995. However, they continue to maintain a business presence within Singapore through the distribution of their products bearing the A Logo through their Singapore agents, Poh Hua Industrial Pte Ltd; and
- 6) The Opponents had the following estimated revenue in Singapore between 2004 and 2009:

Year	Estimated Singapore Revenue (in HKD) for the Opponents' products bearing the A Logo within Singapore
2004	1.5 million
2005	1.5 million
2006	2 million
2007	1.5 million
2008	2.5 million
2009	1.6 million

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

28 The Applicants submit that the Opponents, a Hong Kong company, had abandoned the part of their former business that consisted in manufacturing toothbrushes for export to and sale in Singapore and therefore ceased to have any proprietary rights or goodwill in Singapore. The Applicants claim to have acquired their own independent goodwill in Singapore and this cannot be considered to be passing off of the Opponents' goodwill.

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

*Decision on Goodwill*

29 The tort of passing off is concerned with the protection of goodwill. The Court of Appeal in *The Singapore Professional Golfers' Association v Chen Eng Waye* [2013] SGCA 18 ("*Professional Golfers*") at [20] affirmed the three-stage test for passing off in *Reckitt & Colman Products Ltd v Borden Inc and Others* [1990] WLR 491: that the claimant must prove (1) he has goodwill attached to his product or service (2) a misrepresentation by the defendant that his goods are the claimant's goods or emanate from a source that is economically linked to the claimant and (3) damage to his goodwill a result of this misrepresentation.

30 The Court of Appeal in *Professional Golfers* at [21] described goodwill as follows:

Goodwill has been described as "the attractive force which brings in custom": *The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 at 224. It connotes the magnetic quality of the product and its association with the claimant such that customers return and patronise the same business, or purchase the same product or other products from the same brand: *Bentley & Sherman* at p 729. The goodwill in question is the integral feature of the relationship between a trader and his customers that the tort of passing off seeks to protect. The action for passing off is not directly concerned with the protection of a mark, logo or get-up of a business. That is more the province of the law of trade marks. Rather, passing off is concerned with protecting the goodwill between a trader and his customers: *CDL Hotels* at [45].

31 The test which has been used by the courts to determine whether the plaintiff's business has goodwill is this: has the mark adopted by the plaintiff become distinctive of his goods or services in the sense that it is associated or identified exclusively with his goods or services? See: **Ng-Loy Wee Loon, *Law of Intellectual Property* (Sweet & Maxwell Asia: 2009)**, at [17.1.3], p 205, citing *White Hudson & Co v Asian Organisation Ltd* [1965] MLJ 186 at 188 (Privy Council on appeal from Singapore), similar language found in *Professional Golfers* at [28].

32 The relevant date on which the reputation of the plaintiff in a passing off action should be considered is the date on which the conduct complained of commences: *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2009] SGCA 53 at [63]. In the opposition action, the relevant date to assess goodwill would be the dates of application of the Application Marks, ie. 31 July 2009 whilst for the invalidation action the relevant date would be the registration date on 2 October 2008 (collectively, "**the Relevant Dates**").

33 I find that the Opponents do not enjoy goodwill in Singapore as at the Relevant Dates. My reasons are set out below.

34 Firstly, the facts on the Opponents' revenue and advertising have not been satisfactorily proved by the evidence. The Opponents' revenue and advertising figures between 1960 and 1965 are supported by an *undated and unsigned* statutory declaration of Mr Jhi Hung Leung, the then-chairman of the board of directors of the Opponents (Chan's 2<sup>nd</sup> SD, Exhibit N). Even if the statutory declaration was signed, it is evidence tendered for the purposes of another application, namely, "Trade Mark Application No. S/47882" and is technically hearsay evidence which is inadmissible. Evidence that is taken in former judicial proceedings can only be used in a later judicial proceeding or later stage of the same judicial proceeding subject to certain conditions, including the witness being unavailable because he is dead or cannot be found or is incapable of giving evidence: Section 33 of the Evidence Act; as explained in *Pinsler* at p 141. Similarly, the Opponents' sales figures between 1972 and 1976 suffer from the same deficiency. These figures are affirmed by one Kenneth Yuhung Tongson ("**Tongson**"), the then-director of the Opponents, in a statutory declaration dated 14 September 1976, for another proceeding namely "Trade Mark Application No. S/65284". Strangely, the certificate attached to this statutory declaration is one for Trade Mark No. 65289 – which is a different trade mark. It is therefore unclear what trade mark these figures of sale refer to. More importantly, in Tongson's statutory declaration, it is not stated whether these sales figures are for Singapore or worldwide.

35 Secondly, no figures for sales and advertisements have been tendered in relation to the period 1977 to 2003. Neither has any explanation been given by the Opponents for the absence of evidence over this long intervening period of 26 years. This is curious since the Opponents sought to rely on the activities of their Singapore Subsidiary, which had apparently begun operations as early as 1969 and was only wound up in 1995. In any event, the Opponents have not denied that the Singapore Subsidiary is a separate legal entity. As stated in *Professional Golfers* at [22], goodwill cannot exist on its own, but instead attaches to a business in the jurisdiction. The goodwill generated by the Singapore Subsidiary (if any) would be attached to it, and not to the Opponents, which is a Hong Kong-incorporated company.

36 Thirdly, counsel for the Opponents submitted that sales of the Opponents' goods continued through their distributor after the Singapore Subsidiary was wound up in 1995. However, there is no evidence of this until 2004.

37 Fourthly, the evidence of the Opponents' annual revenue from 2004 to 2009 is limited to just *one* purchase order dated 10 June 2008 for a list of 94 items such as "plastic basin", "sauce bottle", "chopping brd", "travel mini-box", "measuring cup" (Chan's 1<sup>st</sup> SD, Exhibit L, pp 140-146). The two other purchase orders in Exhibit L are irrelevant as they are post-date the Relevant Dates. In any event, the curious feature of all these purchase orders is that they feature the "unit price" and "total amount" as "0.00" for each of the items listed. The details of the buyer appear to have been omitted.

38 I note that the Opponents have filed a statutory declaration by their distributor, Poh Hua Industrial Pte Ltd ("**Poh Hua**"), wherein the Managing Director of Poh Hua states that it has been agent and distributor for the Opponents since 1992 and distributes a range

of the Opponents' goods. However this assertion is not supported by any evidence as to the sales or advertisements of relevant goods bearing the Opponents' mark, the statutory declaration being only two pages long. Turning to Chan's 1<sup>st</sup> SD, p 129, there is a print out of Poh Hua's website with one page displaying the Opponents' goods. This piece of evidence raises more questions than it answers. Firstly, it is curious that Poh Hua would not have any evidence as to the sales of the Opponents' goods in their capacity as an agent and distributor of the Opponents since 1992. Second, counsel for the Opponents submitted that the relevant purchasing public in this case would be the low to middle-income households in Singapore. There is no evidence as to how this class of persons came into contact with the Opponents' goods – did they purchase them from Poh Hua's website? If not, which supermarkets or stores did Poh Hua distribute the products to? Do the purchasers buy their goods because they recognize the Opponents' Prior Mark or because they are marketed through Poh Hua? It is difficult to see how the Opponents have established that the A Logo is the attractive force which brings in custom though the evidence from Poh Hua.

39 We are essentially left with the nine pages of Chinese newspaper advertisements in June 1961 and November 1962. It is impossible to tell from the Chinese text what these advertisements say (as they have not been translated) although I can see the Opponents' A Logo alongside pictures of various items such as containers, stools and basins. On one of these pages, there is an advertisement for toothbrushes (Chan's 1<sup>st</sup> SD, p 114) which incorporates the A Logo (although not the "ACE" name). It appears that this advertisement was run five times in 1961 (on 4<sup>th</sup>, 11<sup>th</sup>, 12<sup>th</sup>, 18<sup>th</sup> and 25<sup>th</sup> September 1961). There is no evidence as to the reach of this particular Chinese publication. However, even if there was goodwill as at 1961 and 1962, the question would be whether the Opponents' goodwill is associated with the A Logo as at the Relevant Dates, ie. 2 October 2008 or 31 July 2009. A mere intention not to abandon the A Logo is not enough; the vital question is one of reputation: *Norman Kark Publications Ltd v Odhams Press Ltd [1962] 1 WLR 380*. Unfortunately, the evidence after this date does not convince me that the Opponents have any goodwill that should be protected by the law of passing off as at 1958 (when the Opponents allegedly started using the A Logo on its goods in Singapore) or 1966 (when the Applicants allegedly started using the A Logo in Singapore). In this regard, I note that in the Applicants' Lam's 1<sup>st</sup> SD, they had used the ACE trade mark (see [15] above) in Malaysia in 1966 and not in Singapore. Evidence of the Applicants' use in Singapore began in 1980 (see Lam's 1<sup>st</sup> SD, p 3, at [9]). In view of my conclusion, I need not consider the Opponents' argument that the Applicants had merely perpetuated and contributed to their goodwill in Singapore by their use of the A Logo in 1966.

40 As the Opponents have not established that they had the requisite goodwill in Singapore at the relevant time, the first element of the tort of passing off has not been established. I will therefore not go on to consider the other elements of misrepresentation and damage. The ground of opposition under Section 8(7)(a) fails.

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

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

8. — (2) A trade mark shall not be registered if because —  
(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,  
there exists a likelihood of confusion on the part of the public.

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

42 The Opponents confirmed at the hearing that they would not rely on Section 8(2)(a) of the Act. With regard to the ground of opposition under Section 8(2)(b) of the Act, the Opponents submitted that the most striking and distinctive component of the Applicants' Marks would be the A Logo and the ACE name on the marks, with less emphasis being placed on the Malay words and corporate name incorporated in the said marks (in the case of the Application Marks). Furthermore, the A Logo that is being used on the Applicants' Marks is identical to the A Logo being used in the Prior Mark.

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

43 The Applicants submit that the Applicants' Marks are visually dissimilar from the Prior Mark even though the Applicants acknowledge that the A Logo is the "common denominator" between them (see [5.06.04] of the Applicants' written submissions dated 9 July 2013). In particular, the Application Marks contain other elements such as the words "CAP", "TOOTH", "BRUSH", "NYLON", "BERUS", "GIGI", "YANG", "TERBAIK", "SIN FATT INDUSTRIAL CO., SDN. BHD" and "ACE" respectively. The Applicants referred to the cases of, *inter alia*, ***Fererro SpA v OHIM Case-552/09 (March 2011)*** and ***Societe des Produits Nescafe SA v Master Beverage Industries Pte Ltd [2009] SGIPOS 5 ("Nescafe")*** for the proposition that two marks can be considered visually dissimilar despite having a common denominator. The Applicants also submit that the marks are aurally dissimilar, given that the additional word elements must be aurally pronounced when the Application Marks and Registered Mark are referred to. The Applicants added in oral submissions that it is commonly accepted that words "talk" in trade marks.

44 The Applicants submit that there will be no likelihood of confusion because there is no evidence of any sale of toothbrushes bearing both the A Logo and the ACE name in Singapore. Further, the Opponents have failed to take any steps to revive or reinstate their earlier registration in Class 21 for "all kinds of brushes including tooth brushes", allowing it to expire as of 3 December 2004. The Applicants also submit that they have co-existed with the Opponents in Singapore for several decades.

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

45 The analysis under Section 8(2)(b) involves a three-step assessment: firstly, an assessment of whether the marks are similar, secondly, whether the goods and/or services

are similar and last, but most importantly, whether there exists a likelihood of confusion on the part of the public.

#### *General Principles in Analysing Similarity of Marks*

46 The Court of Appeal in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*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, 3<sup>rd</sup> ed, 2009) ("*Bently & Sherman*") at p 864. 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*").

#### *Distinctiveness of the Prior Mark*

47 The distinctiveness of the Opponents' Prior Mark is relevant in the analysis of similarity between marks. In particular, the Court of Appeal in *Hai Tong* held at [30]:

The position gets more complicated where what is at issue are words or concepts that are in common use...The difficulty is compounded because traders registering a mark are often tempted to use words or symbols that describe their goods in glowing terms; but, if the words do no more than describe the goods, they may not be found to be distinctive at all...***the more descriptive a mark, the greater the latitude afforded to the defendant in using those words or ideas of a generic nature, even if these have some similarity to what is found in the registered mark.*** (Emphasis added)

48 Although the Opponents' Prior Mark consists of just a single letter "A", it is represented in a particular typeface and enclosed within a geometric circle, with a limitation as to colour (only in red, black and white, as stated on the mark application

form). The embellishments to the single letter "A", although minimal, suffice to give it trade mark character. It is not directly descriptive of the goods it is registered for, ie. "small utensils and portable containers for household and kitchen use (not of precious metals or coated therewith)." In and of itself, however, the single letter "A" would appear to be laudatory as an indicator of top quality. The Opponents have alluded to this at Chan's 1<sup>st</sup> SD, [13(c)] – [(e)], where they submit that the alphabet "A" and the colour red in the Prior Mark was chosen for the following reasons:

- 1) In scholastic achievements, the alphabet "A" is always used to mean the best and to represent the highest mark;
- 2) To a Chinese who knows English...the alphabet "A" is always used to mean the best or number one;
- 3) To a Chinese, red colour means luck and happiness.

49 In view of the above, I find that the Opponents' Prior Mark is descriptive of the notion of top quality in general. The alphabet "A" and the colour red should generally be left free for other traders to use. On the whole, the Opponents' Prior Mark is distinctive of the goods that it is registered for, but has a low level of distinctiveness in and of itself.




#### *Similarity of Marks*

50 The dominant visual features of the Application Marks are an "A" device accompanied by the words "ACE", both in equal size relative to each other. There are several other secondary features of the Application Marks, consisting of the words "tooth brush", "best nylon", "berus gigi nylon yang terbaik" and the Applicants' name ("**the Secondary Words**"). The Registered Mark is identical to the Application Marks save for the Secondary Words. The question then is whether the words "ACE" or "ACE" and the Secondary Words are enough to differentiate the Application Marks such that they are not similar to the Prior Mark. I should add that the "A" device used in both marks are essentially identical.

51 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: *Hai Tong* at [40(b)]. 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 (*Hai Tong* at [40(c)-(d)]).

52 As noted in the preceding paragraph, the contesting marks are not to be compared side by side, However, for convenience and ease of reference, the relevant marks are set out for comparison below:



Opponents' Mark	Applicants' Marks	
Prior Mark	Registered Mark	Application Marks
		


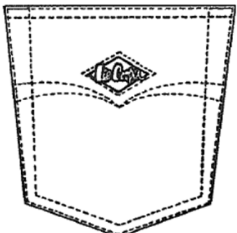
*Visual Similarity*

53 I find that the Applicants' Marks are visually similar to the Prior Mark. My reasons are set out below.

54 In dealing with the assessment of visual similarity for marks where one or more of the marks is a composite mark, the Court of Appeal in *Hai Tong* held at [41] that:

...there appears to have been some emphasis on the textual component of the composite mark....we do not agree...Rather, we consider that in assessing the visual similarity of two composite marks, the correct approach is to consider the marks *in totality* without placing due emphasis on any particular component of such marks *unless such emphasis is warranted on the facts*. (Emphasis added)


55 *Hai Tong* went on to examine *Lee Cooper Group plc v Levi Strauss & Co. [1995] AIPR 457* ("*Lee Cooper*"), where the Registrar was faced with the comparison of two marks containing a common device (as seen in the Registered Proprietor's trade marks; known as the "Arcuate Stitching Design"):

Registered Proprietor (Levi Strauss & Co.)'s trade marks in Class 25	Applicant (Lee Cooper Group plc)'s trade mark application in Class 25:
	

56 The Court of Appeal in *Hai Tong* considered *Lee Cooper*, observing that in this particular case, there was evidence that the Arcuate Stitching Design was commonly used in the clothing industry. It was in this context that the Registrar found that the textual components in that case stood out. There was no general principle that words "talked" in trade mark law: see *Hai Tong* at [49]-[51].

57 Although our present case is similar to *Lee Cooper* in that there is a similar device that is common to both marks, there is no evidence that such device is common to either the Opponents' or the Applicants' industries (ie. the plastics manufacturing or toothbrush manufacturing industries). The textual component of the Applicants' Marks does not immediately come across as the dominant component of the marks.

58 In the case of *Honda Motor Europe Ltd v Office for Harmonization in the Internal Market (Trade Marks and Designs) (Case T-363/06) [2009] ETMR 34 ("Honda")*, the Court of First Instance of the European Communities (Fourth Chamber) considered whether the following marks were similar:

Registered Proprietor (Seat SA)'s trade mark in Class 12:	Applicant (Honda Motor Europe Ltd)'s trade mark application in Class 12:
	MAGIC SEAT

59 The court in *Honda*, citing the case of *Matratzen Concord GmbH v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) (Hukla Germany—MATRATZEN) ( T-6/01) [2002] E.C.R. II-4335* held at [25]-[26] that

...a complex trade mark, composed of both verbal and figurative elements, cannot be regarded as being similar to another trade mark which is identical or similar to one of the components of the complex mark, unless that component forms the dominant element within the overall impression created by the complex mark. Such is the case where that component is, by itself, likely to dominate the image of that mark which the relevant public keeps in mind, with the result that all the other components of the mark are negligible within the overall impression created by it.

That approach does not amount to taking into consideration only one component of a complex trade mark and comparing it with another mark. *On the contrary, such a comparison must be made by examining the marks in question, each considered as a whole. However, that does not mean that the overall impression created in the mind of the relevant public by a complex*

*trade mark may not, in certain circumstances, be dominated by one or more of its components.* (Emphasis added)

60 The court in *Honda* looked at the overall impression created by both marks, concluding that they had the word "seat" in common (at [28]), before concluding that the earlier trade mark, assessed as a whole, "risks being identified [by the relevant consuming public; in this case, the Spanish consumers] through the word component "seat"". It was held that "SEAT" was the "dominant component" in the application mark and that therefore, the two marks were similar. The "S" device element was considered to have "no intrinsic semantic content of its own which would lend the earlier trade mark distinctive character, but primarily has the purpose of accentuating the first letter of the word "seat"." Arguably, if an "S" device should be considered to have no "intrinsic semantic content" in relation to a composite mark containing the "S" device and the word "SEAT", an "A" device should also have no "intrinsic semantic content" in relation to a composite mark containing the word "ACE". Both devices consist simply of a single letter of the alphabet, coupled with a common word in the English language.

61 At this stage of the analysis, I am reminded of the overarching principles in *Hai Tong* at [40(b)] (see [51] above) and [41] (see [54] above) – that the comparison is a "mark for mark" comparison, and that the correct approach is to consider the marks "in totality".

62 On the facts of the present case, upon a "mark for mark" comparison, the "A" device is the common denominator in the competing marks. Considering the marks in totality, I find the "A" device to be the dominant component in the Applicants' Marks. It is likely to be the component that the average Singaporean consumer identifies the Applicants' Marks with. Firstly, the Secondary Words in Malay are much smaller relative to the "A" device and the "ACE" word. Secondly, unlike *Lee Cooper*, the textual component "ACE" does **not** dominate the image of the Applicants' Marks, in the absence of any evidence that the "A" device is a device that is commonly used in the plastics manufacturing or toothbrush manufacturing industries. "ACE" is a common dictionary word and is registered/sought to be registered using the same typeface and colour as the "A" device. I find that the word "ACE" therefore only serves to accentuate the "A" device and does not confer any distinctive character to the Applicants' Marks as a whole.

63 The mark-for-mark comparison in the *Nescafe* case must also be distinguished from that in the present case. In *Nescafe*, both parties were in the instant coffee business. The common element between both marks was a mug sitting on a bed of brown coffee beans. The opposed trade mark had incorporated the words "Golden Eagle" with an eagle device on top of this common element. The Principal Assistant Registrar ("**PAR**") held at [50] that it was these words and device "that first strikes the eye and catches the attention of the consumer." In particular, the PAR noted that there was evidence lodged by both parties that "includes numerous marks in the market belonging to other traders and which adopt the same concept of "mug and coffee beans" in their packaging" (at [59] of *Nescafe*). Whilst the PAR stated that she "would exercise caution and not put too much emphasis on this evidence", she nevertheless found it to be "useful information to show

the conditions in the market place *vis-a-vis* sale of similar packaged goods (beverages) and consumer perception towards these marks" (at [59] of *Nescafe*).

64 In light of *Hai Tong's* analysis of *Lee Cooper* (see *Hai Tong* at [49] – [51]; above at [55]), I would venture to say that such evidence would be relevant to determining what the dominant component of a composite mark should be. In the present case, neither the Opponents nor the Applicants have raised the issue of the "A" device being common to the plastics manufacturing or toothbrush manufacturing industries. I have also found above at [49] that it is not descriptive of the goods registered for, although it does have connotations of quality in general.

65 Therefore, on the facts of the present case, it is the "A" device (being the dominant component of the Applicants' Marks) that first strikes the eye and catches the attention of the consumer upon a mark-for-mark comparison. The "A" device used in both marks are also identical. On the whole, I find that the marks are visually similar.

#### *Aural Similarity*

66 The Applicants submit that their marks are referred to as the "ACE" marks (Applicants' written submissions at [5.07]). Whilst the Opponents do not have a specific submission in this regard, it has referred to their Prior Mark as the "Red A" mark throughout their submissions. There is a possibility that it is also referred to as the "A" mark, given that it is the "A" device that stands out visually.

67 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) at [28]. It would also be correct to consider how an average Singaporean consumer would pronounce the respective words: *Sarika* at [30].

68 "ACE" and "Red A" consist of one syllable and two syllables respectively. On the other hand, "ACE" and "A" both consist of a single syllable each. In any event, I am of the view that the marks are aurally dissimilar. "ACE" would sound phonetically longer and is identifiable as a distinct word in the English language, whilst "A" would simply sound like a letter in the English alphabet. It is unlikely that the average Singaporean consumer, who is literate and relatively well-versed in the English language, would confuse a distinct word with a single letter in the alphabet.

#### *Conceptual Similarity*

69 Conceptual similarity involves the consideration of the ideas that lie behind or inform the earlier mark: *Sarika* at [34], affirmed by *Hai Tong* at [70]. The Opponents have submitted that the letter "A" and the colour red represent achievement and luck and happiness respectively (see [48] above).

70 On the other hand, the Applicants do not have any submission with regard to the concept behind their marks, save that the word "ace" would be representative in a deck of cards, for example. No explanation has been given with regard to "A" device in the Applicants' Marks.

71 The main element that differentiates the Applicants' Marks from the Prior Mark is the word "ace", which is defined in the Oxford English Dictionary Online (at: <http://oxforddictionaries.com/definition/english/ace?q=ace>) as having either of the following meanings:

- 1) a playing card with a single spot on it, ranked as the highest card in its suit in most card games;
- 2) (informal) a person who excels at a particular sport or other activity;
- 3) (in tennis and similar games) a service that an opponent is unable to return and thus wins a point.

72 In view of the Applicants' submission, I am of the view that the first definition would be fair for me to consider. The word "ace" would therefore connote a high standard, as seen by its ranking in a deck of cards as "the highest card in its suit". In all other definitions, the word "ace" makes reference to excellence or winning. Conceptually, therefore, both "A" and "ace" seek to convey the sense of excellence and being at the top of its range of goods in the market. I find that the Applicants' Marks and the Prior Mark are conceptually similar.

73 As the marks are visually and conceptually similar, I find that there is similarity between the marks and the first element of Section 8(2)(b) is established.

#### *Similarity of Goods*

74 To determine the similarity of goods in the present case, one must not only compare the goods of the offending party with the actual product of the owner but also with the specification of the mark: *Sarika* at [47]. Where the analysis concerns a comparison between two actual products, the court in *Sarika* agreed with the analysis in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 ("*British Sugar*").

75 The Opponents' actual goods include a variety of plastic products ranging from plastic trays, boxes, baskets and chairs (Chan's 1<sup>st</sup> SD, p 130, Exhibit J) and toothbrush holder sets (Chan's 1<sup>st</sup> SD, p 30, Exhibit C). The Applicants' actual goods consist solely of plastic toothbrushes (Lam's 1<sup>st</sup> SD, p 1529). An analysis using the *British Sugar* factors is as follows:

- 1) Uses: The Opponents' goods are essentially various types of plastic storage containers, which are used in a variety of household and kitchen settings. The Applicants' toothbrush, however, is a dental implement for brushing human teeth. The uses of each of these products are different.
- 2) Users: The same person could be the user of both products. For example, a person could use the Applicants' toothbrush and place it into the Opponents' tooth brush holder.

- 3) Physical nature: The Opponents' goods are made almost entirely of plastic. Whilst the handle of the Applicants' toothbrush is made with plastic, it is the bristles of the toothbrush that are essential to its function. To my mind, the physical nature of the Opponents' and the Applicants' goods are similar to the extent that they are both made of plastic.
- 4) Trade channels: The Opponents submitted, and the Applicants did not dispute, that both the Opponents' and the Applicants' goods would be sold at supermarkets or grocery shops in the same toiletries section. The Opponents also pointed out that the Applicants admit to being in the "same industry" (ie. the plastics industry) as the Opponents (see Lam's 2<sup>nd</sup> SD at [8]) and Low's 1<sup>st</sup> SD at [9]).
- 5) Substitutability: The Opponents' and the Applicants' products are not direct substitutes for each other, as each fulfils a different needs of the consumer. They are not in direct competition as such.

76 The court in *Sarika* recognized that this analysis is limited to a comparison of two actual products. However, "insofar as the specification of the "Nutella" mark extends to products which have not yet been produced by the Respondents, then the *British Sugar* factors may not be entirely helpful in the conduct of the similarity analysis" (see [53]). To complete its analysis on the similarity of goods, the court went on to consider whether the appellant's specification for "chocolate products" (which would be wider than just their actual product, being the Nutella spread), could include a chocolate beverage made from Nutella spread. The court held that "[a]t the end of the day, the question would depend on whether the Nutello beverage can be considered a "chocolate product" (see [53]).

77 In our case the question would be whether "toothbrushes" can be considered to fall within the category of "small utensils and portable containers for household and kitchen use (not of precious metals or coated therewith)". Both items are registered in Class 21 of the ICGS which encompass the following goods: "**Household or kitchen utensils and containers; combs and sponges; brushes (except paint brushes); brush-making materials; articles for cleaning purposes; steelwool; unworked or semi-worked glass (except glass used in building); glassware, porcelain and earthenware not included in other classes**" (emphasis added). It appears that "brushes (except paint brushes)" is a category that is separate from "household or kitchen utensils and containers". There are certain items found in Class 21 of the ICGS that appear to be particularization of the category of "brushes", including "dishwashing brushes", "scrubbing brushes", "brush goods", "brushes for footwear", "brushes for cleaning tanks and containers", "eyebrow brushes", "nail brushes".

78 In construing the registration, the core meaning of what the Opponents' goods are will be considered. In *Reed Executive v Reed Business Information* [2004] RPC 40 ("*Reed*"), the court deliberated on the construction of the specification "employment agency services" by embarking upon an inquiry as to what the core features of an employment agency were: *Reed* at p 52. In this case, the court was assisted by experts on both sides. In the present case, no evidence has been tendered with regard to the

toothbrush manufacturing industry or the brush industry in general. Neither is there evidence as to the industry for small utensils and portable containers for household and kitchen use.

79 The evidence available before me indicates that one of the essential features of the Opponents' business is the use of plastic material in the manufacture of all their goods for household and kitchen use (Chan's 1<sup>st</sup> SD, pp 15-17; p 130). There is a conspicuous absence of any brush-related plastic items in these products. I also note that the Opponents once maintained a separate registration (T6947882F) in Singapore for Class 21 including the particular "all kinds of brushes including tooth brushes" (Chan's 1<sup>st</sup> SD, p 119). This mark was applied for on 3 December 1969 and only expired on 3 December 2004 and therefore **existed alongside the Prior Mark in Class 21** (which was registered on 25 August 1975 and still exists) **for some 29 years**. In addition, I note that in Hong Kong, where the Opponents' headquarters is located, the Opponents maintain registered trade mark no. 1973B0309 for the A Logo, specifically including the particular "tooth brushes" in Class 21 (Chan's 1<sup>st</sup> SD, p 55-56). In Malaysia, the Opponents' registered trade mark for the A Logo (although it has expired as of 23 June 2010 and there is no evidence as to whether it has been renewed) includes the particular "brushes (except paint brushes)". In another of their Malaysian trade marks registered on 4 December 1969, the Opponents' specification is "toothbrushes of all kinds; all included in Class 21" (Chan's 1<sup>st</sup> SD, p 93-94). What emerges from this information is that the Opponents appear to have deliberately left out the specification of "tooth brush" or "brushes" in the application for the Prior Mark.

80 At this juncture, I would pause to touch briefly on the policy considerations in trade mark law as stated in *Sarika* at [61]:

There appear to be two competing policy concerns here, that of preventing confusion on the one hand and promoting business certainty on the other. ***Additionally, the need to guard against the danger of creating a monopoly in trade mark for the registered trade mark proprietor which extends protection beyond what is necessary and fairly required in the circumstances must be kept in mind.*** As the judge in *Polo* (HC) observed (at [19]), protection offered to a registered trade mark proprietor is "wide but not indefinite". In the final analysis, we agree that the main concern is to ensure that consumers do not get confused as to trade sources. (Emphasis added)

81 As a matter of policy, the protection extended to the Opponents in this case should be what is necessary and fairly required in the present circumstances. It appears from the evidence that the Opponents do not wish to continue their business in selling and/or exporting toothbrushes in Singapore and no evidence that they have done so since they obtained their registration for the Prior Mark in 1975. At the same time, the Applicants have submitted substantial evidence of a continuous period of sales of toothbrushes for some 31 years in Singapore (see [16] above). I am of the view that the Opponents' trade mark monopoly should not extend to cover toothbrushes, which appear to be a separate

category of goods within Class 21. The evidence also suggests that the Opponents have specifically excluded this category of goods from the registration of their Prior Mark.

82 In view of the foregoing, I find that the Applicants' and the Opponents' goods are not similar for the purposes of Section 8(2)(b) of the Act.

*Likelihood of Confusion?*

83 Even if I am mistaken as regards the similarity analysis, I am of the view that there is no likelihood of confusion amongst the relevant public. I will address this issue very briefly just to highlight a few points.

84 The Opponents have submitted that the relevant public in this case is the lower- to middle-income households in Singapore. The Applicants did not dispute this submission. Unfortunately, neither the Opponents nor the Applicants have adduced any evidence showing how the relevant public has come into contact with the Opponents' and Applicants' goods. On the other hand, I note that both the Opponents and the Applicants have filed statutory declarations made by their distributors. Interestingly, both distributors, despite having been in distributorship arrangements with the respective parties since 1992 (Opponents) and 1995 (Applicants) respectively have not even heard of each other, much less would they be confused: see Toh's 1<sup>st</sup> SD, [8], where he states that he "had no knowledge of Sena Trading Co or of counterfeit toothbrushes bearing the Opponents' A Logo mark being distributed within Singapore." Far from being confused, he had not even encountered the Applicants' Marks after some 17 years of being in the same business.

85 The Opponents' evidence relating to the goods sold in Singapore are (1) an online shop at <http://www.reda.com.hk>, which "only delivers to areas within Hong Kong region" while "other regions outside of Hong Kong" can be "quoted separately" (Chan's 1<sup>st</sup> SD, Exhibit C); and (2) several plastic receptacles (and a plastic chair) as sold on their distributor (Poh Hua Industrial Pte Ltd)'s website, at <http://www.pohhua.com.sg> (Chan's 1<sup>st</sup> SD, Exhibit J). The Opponents' Prior Mark only appears alongside their plastic goods on their website and their distributor's websites, ***but there is no evidence that the Prior Mark appears on the goods or the packaging of the goods itself***. I cannot tell whether the general public would be exposed to the Prior Mark on the Opponents' goods if they were to buy it at a supermarket or sundry shop. Of course, there is the possibility that the general public would shop for the Opponents' plastic containers, stools and toothbrush holders online (and therefore be exposed to the Prior Mark alongside the Opponents' goods), but there is no evidence of the same.

86 In view of the foregoing, the ground of opposition under Section 8(2)(b) fails.

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

87 Section 8(4) 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 —

(a) the earlier trade mark is well known in Singapore; and

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

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

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

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

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

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

88 With regard to this ground, the Opponents rely on the evidence as to their estimated revenue in Singapore from the years 2004 to 2009 (at [27(6)] above) as well as their international net revenue over the same period, which is around HKD\$100 million per year. The Opponents also give examples of "immense goodwill and reputation" in a television programme featuring the Opponents produced by Radio Television Hong Kong aired on 2 July 2011. The Opponents also make reference to their online shop, [http://www.reda.com.hk/frontstatic/mainpage\\_eng.html](http://www.reda.com.hk/frontstatic/mainpage_eng.html) for the sale of their goods, including toothbrush holders, with delivery to various countries worldwide including Singapore. The Opponents also refer to their extensive trade mark registrations around the world.

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

89 The Applicants attacked the Opponents' reliance on the estimated revenue figures from 2004 to 2009, pointing out that they are stated only in Hong Kong dollars and only amounts to some \$247,000 to \$417,000 in Singapore dollars. Furthermore, it is only an "estimated" revenue and could be the Opponents' own conjecture. The Applicants essentially submit that the Opponents have not used their marks on toothbrushes since 1966 and that the evidence of sales and marketing tendered do not show, specifically, that this is in relation to toothbrushes.

### ***Decision on Section 8(4)(b)***

90 The Opponents have pleaded that registration of the Application Marks and allowing the continued presence of the Registered Mark would be contrary to Section 8(4)(a) read with Sections 8(4)(b)(i) and (ii) of the Act.

91 In order to succeed under Section 8(4)(b)(i), the Opponents have the burden of establishing the following:

- 1) The whole or essential part of the Applicants' Marks are identical with or similar to the Prior Mark
- 2) The Prior Mark is well known in Singapore
- 3) Use of the Applicants' Marks in relation to the goods claimed would indicate a connection with the Opponents
- 4) Use of the Applicants' Marks is likely to damage the Opponents' interests

92 I have found that the Applicants' Marks are similar to the Prior Mark (see above at [50] to [73]) and find that the first element of the test is established.

93 With regard to the second limb, 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.

94 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." The Court of Appeal also held that Section 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore in view 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" (at [139]; emphasis added).

*Relevant sector of the public*

95 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.

96 The Opponents have submitted that the relevant sector of the public would include the low to middle income households in Singapore as well as the distributors of the Opponents and the Applicants. There were no submissions or evidence on the relative size of this consumer group in Singapore. Suffice to say, this relevant sector of the public certainly cannot be described as "relatively small", as was the particular "well-heeled" group in *Amanusa* (see [46] and [58] of *Amanusa*). It bears repeating that the Court of Appeal's dicta in *Amanusa* that "it is not too difficult for a trade mark to be regarded as "well known in Singapore"" (at [229]) was not directed at lessening the burden of proof borne by a party seeking to prove that its mark is well known, but a statement that recognized that a trade mark could be regarded as well known in Singapore even if the relevant sector happened to be "miniscule".

97 I have already pointed out the problems in the Opponents' evidence in relation to the sales revenue between 2004 to 2009 (see [37] above). I would add that there are two other invoices dated 10 December 2009 and 21 September 2010 and another purchase order dated 2 September 2010 which are all irrelevant to the present query as they were made after 2 October 2008 and 31 July 2009 respectively. The evidence of the television programme is also irrelevant since it is beyond these dates. As for the Opponents' website, there is no further evidence as to how many people from Singapore visited the website, let alone any evidence of actual purchases made from Singapore. I also note at p 32 of Chan's 1<sup>st</sup> SD that the delivery terms on the website are stated as follows: "*Red A Online Shop only delivers to areas within Hong Kong region (including Hong Kong island, Kowloon area and partial areas in New Territories). For off island and other regions outside of Hong Kong, additional delivery charges apply and they can be quoted separately.*" This suggests that whilst the Opponents may be willing to deliver to Singapore, their target audience is mainly Hong Kong, Hong Kong island, the Kowloon area and partial areas in the New Territories.

98 In view of the foregoing, I find that the A Logo (which is identical to the Prior Mark) was not well known to the relevant sector of the public in Singapore as at the Relevant Dates. It will therefore not be necessary to consider the other factors listed

under Section 8(4)(b)(i) or (ii). It follows that the ground of opposition under Section 8(4)(b) fails.

### **Ground of Opposition under Section 7(6)**

99 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***

100 The Opponents submitted that they are the rightful proprietor of the A Logo as they had first used it in Singapore in 1958, whereas the Applicants first used the mark in Singapore in 1966. The Applicants had dishonestly copied the A Logo and the ACE name from the outset and such behaviour would be considered not only be commercially unacceptable by reasonable and experienced persons in the trade but would also constitute actual dishonesty as well. The Opponents submitted that the Applicants would be aware of the Opponents' A Logo since they would have known about the previous lawsuit in *Star Industrial* and that the Application Marks have proceeded on the basis of honest concurrent use (at the examination stage).

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

101 The Applicants argued that it was only incorporated in 1972 and it would not be accurate to say that the Applicants copied anything in 1966, since the Respondents were not even in existence. The Applicants sought to distinguish Yap Kwee Kor's acts from that of their own. The present owners of the Applicants had bought it from Yap Kwee Kor in good faith in 1988. They denied copying the Opponents' A Logo and/or the ACE name. In any event, the Applicants submitted that they have been using the mark for some 30 years in good faith, without any complaint from the Opponents.

102 The Opponents replied that the Sale and Purchase Agreement dated 28 January 1988 for the Applicants (see Chan's 1<sup>st</sup> SD, at p 33) showed that Yap Kwee Kor had misrepresented to the present owners that he did not know of any circumstances that would be likely to lead to a claim or legal action proceeding or arbitration or prosecution against the Applicants. The present owners' remedy would be against Yap Kwee Kor. For the present purposes, the knowledge of Yap Kwee Kor's behaviour should be imputed to the present owners.

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

103 Bad faith has been described as dealings falling short of standards of acceptable commercial behaviour by reasonable and experienced men in the particular area of trade being examined: *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203

("Valentino") (following the English case of *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367) at [25]). It is a concept with "moral overtones", encompassing behaviour which did not involve any breach of duty, obligation or requirement that is legally binding upon the Applicants: *Valentino* at [26]. In the context of trade mark applications, the learned authors of *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (8<sup>th</sup> edition) by Cornish, Llewelyn and Aplin (Sweet & Maxwell, London: 2013) ("*Cornish & Llewelyn*") cite the following as examples of behaviour the provision seeks to prevent registration for (at p 698):

- 1) Stockpiling marks because they may be needed at some point in the future undetermined at the time of the application;
- 2) To misappropriate marks with a strong reputation outside the United Kingdom but not yet used [there]; and perhaps even:
- 3) To acquire without consent other "merchandisable" marks, such as the names of pop stars and film characters, although these are likely to fail as being devoid of distinctive character under s.3(1)(b)...

104 The learned authors of *Bently & Sherman* (at p 854) cite another situation where an application may be rejected on the basis that it was made in bad faith is where a party attempts to register a mark when it knows that a third party has some better claim to the reputation or goodwill attaching to the sign. In support of this proposition, the learned authors cite the case of *Chocoladefabriken Lindt & Sprungli AG v. Franz Hauswirth GmbH, Case C-529/07*, which at the time had been referred to the European Court of Justice ("ECJ") for guidance on the relevant criteria to be taken into consideration in order to determine whether the applicant was acting in bad faith when he filed the application for the trade mark in *Chocoladefabriken Lindt & Sprungli AG v. Franz Hauswirth GmbH [2009] ETMR 56 ("Lindt & Sprungli ECJ")*. Specifically, the two questions referred to the ECJ that are relevant to the present analysis are:

- 1) whether an applicant is to be regarded as acting in bad faith where he knows, at the time of his application, that a competitor in (at least) one Member State is using the same/similar sign for the same/similar goods so as to be capable of being confused, and yet applies for the trade mark to be able to prevent that competitor from continuing to use the sign and, if this is answered in the negative;
- 2) whether the applicant is regarded as acting in bad faith if he applies for the trade mark in order to be able to prevent a competitor from continuing to use the sign, where he knows the competitor has already acquired a better right.

105 The ECJ took the view that these were factors to be considered in assessing the question of bad faith, but that each case was to be decided on its facts. With regard to the presumption of knowledge in the expression "must know", the court held the fact that the applicant knows or must know that a third party has long been using, in at least one Member State, an identical or similar sign for an identical or similar product capable of being confused with the sign for which registration is sought is not sufficient, in itself, to permit the conclusion that the applicant was acting in bad faith: see *Lindt & Sprungli ECJ* at [40]. With regard to the second question, the ECJ held, at [43] to [45]:

- 43 ...[T]he intention to prevent a third party from marketing a product may, in certain circumstances, be an element of bad faith on the part of the applicant.
- 44 That is in particular the case where it becomes apparent, subsequently, that the applicant applied for registration of a sign as a Community trade mark **without intending to use it, his sole objective being to prevent a third party from entering the market.**
- 45 In such a case, the mark does not fulfil its essential function, namely that of ensuring that the consumer or end-user can identify the origin of the product or service concerned by allowing him to distinguish that product or service from those of different origin, without any confusion. (Emphasis added)

106 Keeping these examples of bad faith in mind, I turn to the facts of the present case. Firstly, the undisputed legal burden of proof lies on the Opponents in these proceedings. This is not an easy burden to discharge, as described by the Court of Appeal in *Valentino* at [30]:

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.***

107 In the present case, I note that from 1950 to 1958, the Opponents had manufactured toothbrushes with packaging that bore the A Logo and the word "ace" (Chan's 1<sup>st</sup> SD, pp 6-7, 99-102, Exhibit F), which are similar to the Applicants' Marks. In 1969, the Opponents then went on to register the Red A Mark (see [11] above), which only uses the A Logo element without the word "ace", for toothbrushes. From a short write up in a magazine titled "Hong Kong Plastics" dated October 1975, it appears that the Opponents entered into a joint venture to establish a separate Singapore entity, which appears to

have manufactured toothbrushes, amongst other plastic products. Interestingly, earlier the same year in August 1975, the Opponents registered the Prior Marks in a number of classes, conspicuously omitting "toothbrushes" in the specifications. Five years later, in 1980, there is evidence that the Applicants had started selling toothbrushes under the A Logo with the "ace" name. At this point in time, the Applicants had not sought any registration for this sign and only obtained their first registration in 2008. From the evidence, it appears that they have managed to sell toothbrushes under this sign from 1980 to 2008 in Singapore without obtaining any prior registration. At the same time, the Opponents had maintained their registration from 1975, alongside the Applicants' registration. Essentially, the Applicants' and the Opponents' businesses in Singapore ***peacefully co-existed for some 30 years***, ie. from 1980 to 2010, when the Opponents filed their notice of opposition (on 20 December 2010).

108 In view of the history above, it cannot be said that the Applicants had registered the Registered Mark or is intending to register their Application Mark without any intention to use the same and merely to prevent the Opponents from doing business in toothbrushes in Singapore. The only reservation I have is that there is some similarity between the get-up of the Opponents' toothbrush (Chan's 1<sup>st</sup> SD, pp 99-102) and the Applicants' toothbrush (Lam's 2<sup>nd</sup> SD, pp 16-17; Chan's 3<sup>rd</sup> SD, pp 5-6), which has been left unexplained by the Applicants. However, knowledge of the use of a similar sign for similar goods is not sufficient, in itself, to establish bad faith: see ***Lindt & Sprungli ECJ*** at [40]. In any event, the long period of co-existence between the Opponents and the Applicants suggests that the parties were never in competition for some 30 years. It is therefore unlikely that the Applicants registered the mark as a means of keeping the Opponents out of the market for toothbrushes. The Applicants appears to be seeking registration in Singapore after a considerable period of use and is not seeking registration in bad faith.

109 In addition, I note that the Applicants and Opponents have also co-existed in Malaysia for at least 35 years (from 1975 to 2010). The Applicants' Malaysian trade mark, which is similar to the Application Marks, was first registered on 6 August 1966 and renewed up till 6 August 2021 (Lam's 1<sup>st</sup> SD, p 17). The Opponents' registered trade mark in Malaysia, which is identical to their Prior Mark in Singapore, was registered on 23 June 1975 and this registration expired on 23 June 2010 (Chan's 1<sup>st</sup> SD, p 93). It is interesting that counsel for the Opponents did not deny that there was peaceful co-existence in Malaysia, only stating that this fact is not material to the present proceedings.

110 In view of the foregoing, the Opponents' case under this ground of opposition does not meet the required standard of proof as set out in ***Valentino*** at [30]. The ground of opposition under Section 7(6) therefore fails.

## **Conclusion**

111 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition and the invalidation actions fail on all

grounds. Accordingly, Trade Mark Nos. T0908522D and T0908520H shall proceed to registration, and Trade Mark No. T0813569D is to remain on the Register of Trade Marks. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 16<sup>th</sup> day of October 2013

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Diyannah Binte Baharudin  
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Hearings and Mediation Group  
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