#### IN THE HEARINGS AND MEDIATION GROUP OF

# THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE

#### REPUBLIC OF SINGAPORE

Trade Mark Application No. T1201076J

Hearing Date: 1 July 2014

# APPLICATION BY OOO "TVM-TRADE" TO STRIKE OUT NOTICE OF OPPOSITION

#### AND

#### OBJECTION THERETO BY SOCIETE DES PRODUITS NESTLE SA

Principal Assistant Registrar Mark Lim Fung Chian Decision date: 27 August 2014

**Interlocutory hearing** – application to strike out opposition due to res judicata – whether IPOS has the jurisdiction to hear a striking out application

**Res judicata** – applicable principles – whether the Opponents' action should be dismissed on grounds of res judicata

#### Introduction

1. This decision addresses the issue of whether the Intellectual Property Office of Singapore ("**IPOS**") has the power to strike out a notice of opposition. The applicants seek to strike out the notice of opposition on the grounds of *res judicata* in view of an earlier unsuccessful opposition against a similar mark. In summary, I hold that IPOS has no power to strike out a notice of opposition. Further, even if IPOS did have such a power, the current case is not a suitable case for striking out.

#### Facts Relevant to Application/ Procedural History

2. On 27 January 2012, OOO "TVM-Trade" ("the Applicants") applied to register the following mark in Class 30 in respect of "Artificial coffee; chocolate; chocolate beverages with milk; chocolate-based beverages; cocoa; cocoa beverages with milk; cocoa products; cocoa based beverages; coffee; coffee beverages with milk; coffee-based beverages; flavourings, other than essential oils, for beverages; iced tea; tea; tea-based beverages; unroasted coffee; vegetal preparations for use as coffee substitutes":



(Singapore Trade Mark Application No. T1201076J; referred to hereafter as "the Application Mark")

- 3. The application was accepted for registration by IPOS and the Application Mark was published for opposition purposes on 11 January 2013, in accordance with the requirements set out in rule 26(1) of the Trade Mark Rules (Cap. 332. Section 108, 2008 Rev. Ed.) ("the TM Rules").
- 4. On 10 May 2013, Societe Des Produits Nestle S.A. ("the Opponents") filed their notice of opposition to oppose the registration of the Application Mark. They relied on the relative grounds of opposition set out in Sections 8(2)(b), 8(4)(b)(i), 8(4)(ii)(A), 8(4)(ii)(B) and 8(7)(a) of the Trade Marks Act (Cap. 332, Rev. Ed. 2005) ("the TM Act").
- 5. The Opponents rely on their prior rights in the following registered trade marks:

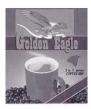
Trade Mark No.	Image	Class	Specification
T9715458D		30	Coffee and coffee extracts; coffee substitutes and extracts of coffee substitutes
T9715459B		32	Non-alcoholic beverages containing coffee
T0300567I		30	Coffee

(collectively "the Opponents' Marks").

6. On 4 September 2013, the Applicants filed their counter-statement in reply to the notice of opposition. At a case management conference on 14 November 2013, the Applicants submitted that the current opposition was *res judicata* by virtue of

earlier opposition proceedings with respect to Trade Mark No. T0422626A, which is reported as *Societe des Produit Nescafe SA v. Master Beverage Industries Pte Ltd* [2009] SGIPOS 5 ("the Prior Opposition").

7. The Prior Opposition related to an application (Trade Mark No. T0422626A) by Master Beverage Industries Pte Ltd ("MBI") to register the following series of 2 marks in Class 30 in respect of "Coffee; tea; cocoa; beverages made from coffee, tea, cocoa or chocolate; beverages containing coffee, tea, cocoa or chocolate based preparations for making beverages; ice beverages with a coffee, tea, cocoa or chocolate base; coffee, tea, cocoa or chocolate based beverages; flavoured tea; all being goods included in Class 30":





("the Prior Mark").

The Prior Mark was unsuccessfully opposed by Societe des Produit Nescafe SA, which relied on Sections 8(2)(b), 8(3)(A), 8(4)(b) and 7(6) of the Trade Marks Act (Cap. 332, 1999 Rev. Ed.). The opponents in that opposition relied on prior registered marks T9715458D and T9715459B, but not on T0300567I, as the latter mark had not secured registration at the relevant time. (Details of these marks are set out at [5] above.)

- 8. The Applicants assert that, by an assignment dated 12 October 2005, MBI assigned the Prior Mark to them. The Applicants and MBI are currently engaged in litigation in Singapore High Court Suit 655 of 2010 in respect of the assignment and ownership of the Prior Mark.
- 9. The Principal Assistant Registrar presiding over the case management conference directed the Applicants to request for an interlocutory hearing for their application to strike out the notice of opposition. On 4 December 2013, the Applicants wrote to IPOS requesting for an interlocutory hearing. As suggested by the Applicants, a

further case management conference was held (on 9 January 2014) to define the issues for adjudication by IPOS (set out at [11] below.).

10. A hearing was scheduled on 18 March 2014. The Applicants requested that the hearing be postponed as Counsel for the Applicants was engaged in a High Court hearing (on a different matter) on 25 February 2014, and wanted more time to prepare for the hearing before IPOS. As the Opponents consented to the request, the hearing was postponed, and was eventually heard on 1 July 2014. Following the hearing, as requested by me and with the agreement of the parties, on 15 July 2014, parties filed further submissions on the issues of: (a) whether the UK Intellectual Property Office has the power to strike out notices of opposition; (b) if so, what are the jurisprudential bases for such power; and (c) the relevance, if any, to the position in Singapore.

#### Issues in this Interlocutory Hearing

- 11. The application to strike out the notice of opposition would depend on two main issues:
  - (a) First, whether IPOS has the jurisdiction to strike out a notice of opposition ("the Jurisdiction Issue").
  - (b) Secondly, if the Jurisdiction Issue is answered in the positive, then whether the notice of opposition should be struck out on the grounds of *res judicata* in view of the Prior Opposition ("the *Res Judicata* Issue").

# Jurisdiction Issue - whether IPOS has the jurisdiction to strike out a notice of opposition

- 12. IPOS is a creature of statute established under the Intellectual Property Office of Singapore Act (Cap. 140, Rev. Ed. 2002) ("the IPOS Act"). One of the functions and duties of IPOS is "to administer the systems in Singapore for the protection of intellectual property": see Section 6(1)(a) of the IPOS Act. IPOS must also "exercise any other functions and duties conferred on [IPOS] by or under... any other written law": see Section 6(1)(1) of the IPOS Act.
- 13. To carry out these functions and duties, Section 7 of the IPOS Act confers very broad powers on IPOS, and provides, in relevant part, as follows:

#### Powers of the Office

7. - (1) [IPOS] shall have the power to do anything for the purpose of discharging its functions under this Act or any other written law, or which it may consider advantageous, necessary or convenient to the discharge of those functions and, in particular, may -

(a) administer systems for the protection of patents, trade marks and designs.

. . .

- (r) do such other acts as are incidental to any of its functions and powers
- (2) This section shall not be construed as limiting any power of [IPOS] conferred by or under any other written law
- 14. It is clear, and not disputed by either party, that there is no express provision in the IPOS Act, the TM Act or the TM Rules giving IPOS the power to strike out a notice of opposition. Furthermore, unlike Order 92 rule 4 of the Rules of Court (Cap. 322, Section 80, Rev. Ed. 2014) ("ROC"), there is no provision in the TM Act or the TM Rules which confers the power on IPOS as part of its inherent jurisdiction. (Order 92 rule 4 ROC provides that "[f]or the avoidance of doubt it is hereby declared that nothing in these Rules shall be deemed to limit or affect the inherent powers of the Court to make any order as may be necessary to prevent injustice or to prevent an abuse of the process of the Court.")
- 15. The Applicants argued that the language in rule 81A of the TM Rules is sufficiently broad to give IPOS the necessary jurisdiction to hear an application to strike out a notice of opposition. Rule 81A provides as follows:

# Case management conference

81A. – Notwithstanding anything in these Rules, at any stage of <u>any application</u> to or proceedings before the Registrar [IPOS], the Registrar may direct the applicant or parties to attend a case management conference in order that the Registrar may <u>make such order</u> or give such direction as he thinks fit for the just, expeditious and economical disposal of the matter.

(emphasis added in light of Applicants' submissions as set out below)

16. In particular, the Applicants contrasted rule 81A with rule 36A(1) of the TMR relating to pre-hearing reviews which are held after the completion of the filing of evidence by the parties. Rule 36A(1) provides as follows:

## Pre-hearing review

- 36A.—(1) At any time after the completion of the filing of evidence by the parties, the Registrar [IPOS] may direct the parties to attend a pre-hearing review at which he may give such directions as he considers necessary or desirable for securing the just, expeditious and economical disposal of the proceedings.
- 17. While the language used in both provisions is very similar, rule 36A(1) does not authorise IPOS to "make such order... as he thinks fit for the just, expeditious and

economical disposal of the matter", but only empowers IPOS to "give... directions." The Applicants argued that the term "any application" in rule 81A refers to an interlocutory application, and that IPOS is empowered to make appropriate orders (as opposed to just directions) "for the just, expeditious and economical disposal of the proceedings." This would include an order striking out an opposition, and it would be more expeditious and economical to do so, instead of compelling an applicant to comply with evidential requirements and go through a full hearing.

18. On the other hand, the Opponents adopted a different approach altogether. In construing rule 81A of the TM Rules, the Opponents noted that the language used is, for all intents and purposes, identical to Order 34A rule 1(1) of the ROC, which deals only with procedural matters. The relevant rule reads as follows:

"Notwithstanding anything in these Rules, the Court may, at any time after the commencement of any proceedings, of its own motion direct any party or parties to those proceedings to appear before it, in order that the Court may make such order or give such direction as it thinks fit, for the just, expeditious and economical disposal of the cause or matter".

19. The Opponents also sought to substantiate their argument that the ambit of rule 81A of the TM Rules is limited to procedural matters by citing the learned authors of *Kerly's Law of Trade Marks and Trade Names*, 15<sup>th</sup> Ed (Sweet & Maxwell, 2011) ("**Kerly's**"). With regard to case management conferences, the learned authors opined (at [5-117]) that:

"The Registrar may at any stage of any proceedings direct that the parties to the proceedings attend a case management conference or prehearing review. The purpose of this provision is to allow the Registrar to take a more proactive role in the conduct of the hearing and to consider such matters as the need to clarify the issues, the degree of complexity of the matter, any related actions between the parties and any wider public interest issues. The current Registry practice states that it is thought that joint oppositions may be particularly suited to case management conferences. The general position with regards notice of hearings is that the parties should be given 14 days notice from the date on which the notice of hearing is sent, unless the parties consent to shorter notice."

(emphasis that of the Opponents)

20. The Opponents also submitted that an examination of the TM Act and TM Rules clearly shows that the legislature had consciously and deliberately excluded contentious interlocutory applications from the powers granted to IPOS (save for security for costs [Section 70 of the TM Act] and arguably discovery [rule 35 of the TM Rules]). This can be seen from the deliberate omission of interlocutory applications that the High Court or State Court are empowered to consider, such as:

- (1) Striking Out Order 18 rule 19 of the ROC
- (2) Discovery Order 24 of the ROC
- (3) Further and Better Particulars Order 18 rule 12 of the ROC
- (4) Summary judgment Order 14 of the ROC
- (5) Interrogatories Order 26 of the ROC

The Opponents highlighted that these provisions were already in existence long before the TM Act and TM Rules were enacted.

21. It was also put to me that this narrower construction of IPOS's powers must be correct especially in light of rule 82 of the TM Rules which does not provide an avenue for parties to appeal against a decision by IPOS to strike out a notice of opposition. Rule 82 of the TM Rules states:

## Appeals

- 82. The following decisions of the Registrar [IPOS] are subject to appeal to the Court:
- (a) a decision referred to in rule 38; and
- (b) a decision in opposition proceedings under rule 46, 56, 65 or 66A

The decisions referred to in rule 82 are as follows:

- (i) Rule 38 decision in opposition proceedings
- (ii) Rule 46 decision on removal of matter from register
- (iii) Rule 56 decision on opposition to application to alter registered trade mark
- (iv) Rule 65 decision on opposition to registration of a collective mark or certification mark
- (v) Rule 66A decision on opposition to amendment of regulations governing the use of a registered collective mark or certification mark

Even though the Applicants argued otherwise, it is clear that "the hearing" in rule 38 of the TM Rules refers to a <u>full hearing</u> as described in rule 37 of the TM Rules, and does not include a hearing of an interlocutory application.

For completeness, I would add that the Opponents should also refer to Section 75 of the TM Act (Appeals from Registrar), though this section similarly does not give an opponent a right of appeal against a decision by IPOS to strike out a notice of opposition.

22. According to the Opponents, this is consistent with IPOS being a low cost tribunal. In support of the proposition that IPOS is a low cost tribunal, the Opponents relied on a recent decision by the United Kingdom Intellectual Property Office ("UK IPO") where the Hearing Officer opined in *Elsworth Ethanol Company Limited v. Ensus Limited* (Case Ref: BL O/082/14) (at [6]) that:

"It is long-established practice for costs awarded in proceedings before the Intellectual Property Office (IPO) to be guided by a standard published scale. The scale costs are not intended to compensate parties for the expense to which they may have been put, but merely represent a contribution to that expense. This policy reflects the fact that the IPO ought to be a low cost tribunal for litigants and builds in a degree of predictability as to how much, proceedings before the IPO may cost them"

(Emphasis by Opponents)

- 23. Interestingly, the UK Trade Marks Manual (Chapter 7 (Tribunal Section), Section 4.19) (accessed on 31 July 2014) expressly provides that the UK IPO has the inherent jurisdiction to strike out a notice of opposition. However, a decision to strike out may be appealed against: see rule 70 of the UK Trade Marks Rules 2008.
- 24. At the case management conference on 9 January 2014, I had asked the parties to let me know if the IP offices in the UK and Australia had the power to strike out a notice of opposition, and if so, the jurisprudential basis for such power. It would be appropriate to look at the UK and Australian positions as our current TM Act is modelled on the English Trade Marks Act 1994 and the Australian Trade Marks Act 1995: see Susanna H.S. Leong, *Intellectual Property Law of Singapore*, Academy Publishing, 2013 (hereafter "Susanna Leong") at [27.013]. Further, the historical roots of the TM Act can be found in the UK 1938 Trade Marks Act: see *Susanna Leong* at [27.011] to [27.013], and Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore*, Rev. Ed., (Sweet & Maxwell, 2009) (hereafter "Ng-Loy") at [20.1.1] to [20.1.5]. Even though the Act has undergone many changes and amendments, there is still a "tradition of relying on English decisions" for guidance where "the Singapore provisions are in pari materia with the English provisions": see Ng-Loy at [20.1.6].
- 25. At the hearing on 1 July 2014, parties indicated that they were unable to locate any reported decision from either the UK or Australia as to whether the IP offices in these jurisdictions had the power to strike out a notice of opposition. As I was aware of the position in the UK as set out at [23] above, I requested that the parties provide further submissions on the position in the UK, which they duly did on 15 July 2014.
- 26. According to the Opponents, the UK made the decision to assume the jurisdiction to allow striking out of notices of opposition to give effect to the reform of the civil justice system in the UK going on at that time, as evidenced by the UK Tribunal Practice Notice (TPN 4/2000) where the UK IPO said at [2]:

"Historically the Registrar did not seek to challenge or scrutinise the content of statements of case or counter-statements. But, following the reform of Civil Justice brought about by Lord Woolf's report Access to Justice and in line with several judgments of the High Court, notably Club Europe Trade Mark [2000] RPC 329, the Registrar has begun to scrutinise the content of these documents. This is because the content of a statement of case and counterstatement plays a key part in any legal proceedings including those before the Registrar of Trade Marks. Poorly drafted and elliptically worded documents can lead to confusion and to a waste of time and resources for both the parties and the Registry with the issues only being defined at the start of the main hearing to determine the substantive issues."

- 27. The Opponents submitted that it is an open question whether this position is *ultra vires*. In any event, a decision by the UK IPO to strike out an opposition is appealable. In contrast, there is no avenue for a party to appeal against IPOS's decision to strike out an opposition, should I hold that IPOS has such a power. The Opponents reiterated that the absence of any such right of appeal clearly demonstrates the legislative intent in Singapore not to confer such jurisdiction on IPOS.
- 28. Although the parties did not submit on the position in Australia, a quick perusal of the relevant Australian legislation indicates that the Australian IP Office has the power to strike out a notice of opposition (albeit after first giving the opponent an opportunity to amend the notice of opposition), and such a decision can be appealed against: see Sections 55 and 56 of the Australian Trade Marks Act 1995 (Act No. 119 of 1995) and Regulations 5.8 and 5.17(1)(a) of the Australian Trade Marks Regulations 1995 (Statutory Rules 1995, No. 341). In particular, Regulation 5.8 provides:
  - 5.8 Statement of grounds and particulars must be adequate
  - (1) The Registrar must assess the adequacy of a statement of grounds and particulars.

. . .

- (4) <u>If</u> the Registrar decides that the statement is <u>still inadequate</u> after the information is filed under paragraph (3)(a):
- (a) the Registrar **may dismiss the opposition**; or
- (b) the Registrar may:
- (i) delete from the statement some or all of the material that is inadequate; and
- (ii) treat the result as the statement for the purposes of these Regulations; and
  - (iii) give a copy of the amended statement to the opponent.

• • •

(6) The opponent may apply to the Administrative Appeals Tribunal for review of a decision under this regulation to dismiss the opposition or delete material from the statement of grounds and particulars.

(emphasis added)

- 29. It appears from the Opponents' submissions (see [26] above) that the UK only made the decision to assume the jurisdiction to allow the striking out of notices of opposition in 2000, after our current TM Act was enacted in 1998. In my view, it is not entirely clear whether the passage cited relates to the power to strike out. In any event, parties did not furnish any information as to why the provisions in Singapore relating to an appeal from a decision by IPOS are different from those in the UK and Australia. For example, neither party was able to ascertain whether we deliberately chose not to follow the UK and Australia (and if so why), or whether the relevant provisions in the UK and Australia were introduced subsequent to the enactment of the Singapore TM Act. Be that as it may, it is self-evident that the legislative provisions in the UK and Australia on this issue are very different from the Singapore provisions. In these circumstances, it would clearly not be appropriate to blindly follow the UK and Australian position. Accordingly, and in the absence of submissions from the parties as to the reasons for the differences between the Singapore and UK/Australian provisions, I base my decision on an examination of the provisions in Singapore.
- 30. In this regard, I am unable to accept the Applicants' submission that rule 81A of the TM Rules (relating to case management conferences) confers on IPOS the power to strike out a notice of opposition (see [15]-[17] above). I agree with the Opponents that rule 81A relates only to procedural matters (see [18]-[19] above).
- 31. I also agree with the Opponents (see [20] above) that the legislature appears to have deliberately chosen not to confer on IPOS the power to strike out a notice of opposition. This can be seen from the omission of a rule in the TM Rules equivalent to Order 18 rule 19 of the ROC. Among other things, assuming I hold that IPOS does have the power to strike out, the logical question that follows would be the basis on which such a power should be exercised. Can IPOS simply adopt the criteria set out in Order 18 rule 19 of the ROC to "fill the gap", or should a stricter test be adopted, and if so what? The absence of any guidance in this regard itself supports a finding that IPOS does not have the power to strike out a notice of opposition.
- 32. This construction is fortified by the absence of a right to appeal against a decision by IPOS to strike out a notice of opposition (see [21] above). I agree with the Opponents that the absence of any such right of appeal demonstrates the legislative intent in Singapore not to confer such jurisdiction on IPOS.
- 33. However, I do not agree with the Opponents that this is consistent with IPOS being a low cost tribunal (see [22] above). As a general proposition, it is certainly true that allowing parties to continually raise voluminous interlocutory issues could substantially increase costs. However, in the specific case of striking out, as the Applicants point out (at [17] above), striking out a clearly unmeritorious opposition

should in fact save costs as it would dispense with the need for parties to prepare and submit their evidence and go through a full hearing.

34. I confess to being a little troubled with regard to the possible implications of my decision that IPOS is powerless to strike out an opposition even in cases where there is blatant abuse. For example, an unsuccessful opponent could immediately commence invalidation proceedings under Section 23 of the TM Act, relying on exactly the same grounds as in the opposition proceedings, but taking the opportunity to plug any gaps in their evidence or submissions which surfaced during the opposition proceedings. Gyles J in *Clinique Laboratories Inc. v Luxury Skin Care Brands Pvt Ltd* [2003] FCA 1517 at [13], expressed similar concerns (although in a completely different context):

"It appears to be a consequence of this reasoning that a party can oppose the grant of... a trade mark, including appeal to the Court, causing considerable expense and delay and, even if unsuccessful, then bring... revocation proceedings based upon precisely the same ground as relied upon in the opposition proceedings..... The opportunity for oppression of an applicant at the hands of a well-resourced commercial opponent is obvious."

- 35. Perhaps my concerns are more illusory than real in that even "a well-resourced commercial opponent" may not wish to throw good money after bad and pursue proceedings which are doomed to failure, albeit after a full hearing which could be some time down the road. (Note: see also the discussion at [46] below regarding the effect of a decision in opposition proceedings on subsequent proceedings involving the same trade mark.) Furthermore, at that stage, it should also be noted that a successful applicant would already have secured registration of his trade mark with all the attendant rights which come with registration.
- 36. In any event, as stated by the Court of Appeal in Samsung Corp v Chinese Chamber Realty Pte Ltd [2004] 1 SLR (R) 382 at [12]:

"[G]enerally where the Rules of Court have expressly provided what can or cannot be done in a certain circumstance, it is not for the court to override the clear provision in exercise of its inherent powers. No court should arrogate unto itself a power to act contrary to the Rules. The rule making powers are conferred upon the Rules Committee."

(emphasis added)

This would of course apply to IPOS as well *vis-à-vis* the IPOS Act, TM Act and TM Rules.

37. Therefore, with regards to the first issue, I find in favour of the Opponents and hold that IPOS does not have the power to strike out a notice of opposition. To briefly summarise, my reasons are as follows: (i) there is no express legislative provision giving IPOS the power to strike out a notice of opposition; (ii) there is no provision

in the TM Act or the TM Rules which confers the power on IPOS as part of its inherent jurisdiction (in contrast with Order 92 rule 4 of the ROC); (iii) rule 81A of the TM Rules (relating to case management conferences), which mirrors the language in Order 34A rule 1(1) of the ROC (regarding pre-trail conferences), relates only to procedural matters; (iv) the power to strike out is expressly conferred on the courts under Order 18 rule 19 of the ROC and it appears to have been deliberately omitted from the powers conferred on IPOS; (v) indeed, the absence of any guidance as to when it would be appropriate for IPOS to strike out a notice of opposition in itself suggests that IPOS does not have such a power; and (vi) finally, the lack of recourse by an opponent to an appeal from a decision by IPOS to strike out a notice of opposition is a strong indication that IPOS does not have this power.

38. In due course, we may wish to revisit this issue as a matter of policy. However, this is a different discussion which does not affect the outcome of the current proceedings before me.

# Res Judicata Issue - whether notice of opposition should be struck out in the present case

- 39. In view of my decision on the Jurisdiction Issue, it is not necessary to address this point. However, I will briefly address some of the issues that have been argued before me in case I am wrong on the Jurisdiction Issue, and also in light of the comprehensive submissions by the parties.
- 40. As an initial observation, and as already mentioned at [31] above, I note that if IPOS has the power to strike out a notice of opposition, it would be necessary to determine the basis upon which this power should be exercised. The issue thus arises: should IPOS simply adopt the criteria set out in Order 18 rule 19 of the ROC, or should a stricter test be adopted? If the latter, what then does the test consist of?
- 41. As a further observation, even if I find that IPOS is indeed empowered to strike out a notice of opposition, the Applicants would still have to show that the circumstances are such that it is so clear that the doctrine of *res judicata* applies so as to merit the striking out of the opposition without giving the Opponent the opportunity of a full hearing. As stated in *Singapore Civil Procedure 2013*, *Volume 1* (Sweet & Maxwell, 2013), in the context of Order 18 rule 19 of the ROC, at [18/19/6]: "It is only in plain and obvious cases that recourse should be had to the summary process under this rule... The claim must be obviously unsustainable, the pleadings unarguably bad and it must be impossible, not just improbable, for the claim to success before the court will strike it out... It cannot be exercised by a minute and protracted examination of the documents and the facts of the case, in order to see whether the plaintiff really has a cause of action..... If an action contains a point of law which requires serious argument, it is not appropriate to strike it out." (citations omitted)
- 42. Res judicata is a Latin term meaning "a thing (res) decided or adjudicated upon." There is a lot of jurisprudence on the doctrine of res judicata which it is unnecessary, for present purposes, to go through. As stated by the Court of Appeal in the case of Lee Tat Development Pte Ltd v Management Corporation Strata Title Plan No. 301 [2009] 1 SLR (R) 875 (at [71] and [72]):

"..... The policy reasons underlying the rule are, first, "the interest of the community in the termination of disputes, and in the finality and conclusiveness of judicial decisions" and second, "the right of the individual to be protected from vexatious multiplication of suits and prosecutions.....

. . . . . . . . . .

The general rule is that, where a litigant seeks to reopen in a fresh action an issue which was previously raised and decided on the merits in an earlier action between the same parties, the public interest in the finality of litigation ("the finality principle") outweighs the public interest in achieving justice between the parties ("the justice principle"), and, therefore, the doctrine of res judicata applies. In such cases, it is usually immaterial that the decision which gives rise to the estoppel is wrong because 'a competent tribunal has jurisdiction to decide wrongly, as well as correctly, and if it makes a mistake its decision is binding unless corrected on appeal."

(emphasis mine; citations omitted)

- 43. In general, to rely on the doctrine of *res judicata*, a party will need to establish: identity in the thing which has been adjudicated upon in the earlier decision; identity of the parties involved in the earlier case; and that the earlier decision is itself a final decision. I will briefly consider each of these.
- 44. As set out in the following comparison table, it is arguable that there is no identity of issues or parties:

	Current Proceedings	Prior Opposition	Comments
Applicants	OOO "TVM- Trade"	Master Beverage Industries Pte Ltd	The Applicants in the current case are different from the applicants in the Prior Opposition. The Applicants submits that they are a privy of MBI on the grounds that they have purchased the mark in question from MBI. However, this is far from certain as the validity of the assignment as well as the ownership of the mark is disputed and is the subject of on-going proceedings between the Applicants and MBI before the High Court. These proceedings, as indicated by Counsel for the Applicant, will not be concluded anytime soon and there is also the possibility

			of an appeal against the decision.
Mark Applied for	Colden Sagle	trolden Sagle	The marks are clearly not the same, although it is not disputed that the marks are similar.
		Crolden Fagle	
Goods of interest	Artificial coffee; chocolate; chocolate beverages with milk; chocolate-based beverages; cocoa; cocoa beverages with milk; cocoa products; cocoa based beverages; coffee; coffee beverages with milk; coffee-based beverages; flavourings, other than essential oils, for beverages; iced tea; tea; tea-based beverages; unroasted coffee; vegetal preparations for	Coffee; tea; cocoa; beverages made from coffee, tea, cocoa or chocolate; beverages containing coffee, tea, cocoa or chocolate; coffee, tea, cocoa or chocolate based preparations for making beverages; ice beverages with a coffee, tea, cocoa or chocolate base; coffee, tea, cocoa or chocolate base; coffee, tea, cocoa or chocolate based beverages; flavoured tea; all being goods included in Class 30	The goods of interest broadly correspond, but again there are some differences.
Opponents	use as coffee substitutes.  Societe Des Produits Nestle S.A.	Societe des Produit Nescafe SA	Counsel for the Opponents agreed that the current Opponents and the opponents in the Prior
			Opposition could be considered to be the same

Grounds	Sections 8(2)(b),	Sections 8(2)(b),	entity notwithstanding the slight difference in their company names; the Applicants had suggested that this was simply due to a change of name.  The grounds are similar but
relied upon in	8(4)(b)(i), 8(4)(ii)(A),	8(3)(A), 8(4)(b) and 7(6) of the	not identical. The Prior Opposition was brought
opposition	8(4)(ii)(B) and 8(7)(a) of the Trade Marks Act (Cap. 332, Rev. Ed. 2005)	Trade Marks Act (Cap. 332, 1999 Rev. Ed.)	under the provisions in an earlier edition of the Trade Marks Act.
Prior marks relied upon	T9715458D	T9715458D	The opponents in the Prior Opposition did not rely on T0300567I as this mark had not secured registration at the relevant time.
	T9715459B	T9715459B	
	T0300567I		

- 45. It should also be noted that in the period of time after the decision in the Prior Opposition (i.e. 20 June 2009), the Court of Appeal has restated the law with regards to the assessment of marks similarity: see *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and Anor* [2014] 1 SLR 911 (at [20]), and compare the approach taken in the Prior Opposition (at [48]) which was based on an earlier Court of Appeal decision.
- 46. With regard to the issue of finality, it is not at all clear whether a decision by IPOS in an opposition proceeding is regarded as a "final" decision: see, generally, the cases discussed in *Kerly's* at [5-159] to [5-161] and [10-015] to [10-025]. The authorities in support of finality are essentially premised on some variation of the *res judicata* doctrine (namely, cause of action estoppel, issue estoppel and abuse of process). The authority against this view highlighted the competing public interests in the removal of marks which should not be on the register (thus depriving legitimate traders the option of using a similar mark for similar goods or services),

and also the status of the Registry [IPOS] as a low-cost tribunal with the consequent implication that issues are approached in a more cost-effective and less comprehensive manner by the parties. In Singapore, in Nike International Ltd v Camponar SL [2005] 4 SLR (R) 76, IPOS did not allow an opposition commenced by the appellants but had directed the applicants to amend the specification of goods. When the same mark was re-advertised in view of the amended specification, the appellants lodged an opposition against the re-advertised mark. In these circumstances, IPOS held (after a full hearing) that res judicata applied and it had no jurisdiction to revisit the issues already decided in the earlier opposition. The High Court upheld this decision, but it can be seen that the facts were quite unique, and the High Court did not discuss the issues raised by the cases referred to in Kerly's in the paragraphs referred to herein. It should be noted that, of the three English cases discussed in Kerly's, two were decided after the Singapore High Court decision, and the other was decided about six months before the Singapore decision. It is not necessary, for present purposes, to wade into this controversy, though it is certainly hoped that the Singapore court will have the opportunity to clarify this murky area of law in the near future. Suffice to say, it is not appropriate for this issue to be decided summarily, without full ventilation of the relevant facts and authorities at a full hearing.

- 47. Finally, and importantly, as pointed out by the Opponents, the outcome of the current opposition would not have any impact on the registration of the Prior Mark.
- 48. For all the reasons set out above, I am of the view that the current case is not a suitable case for striking out. I would stress, however, that nothing I have said should be construed to bind the hearing officer in any way if and when the case comes before IPOS at a full hearing.

#### Conclusion

- 49. As I have held that IPOS has no power to strike out a notice of opposition, and that, in any event, the current case is not a suitable case for striking out, the application is dismissed.
- 50. With regard to costs, both parties agreed that the successful party should be awarded the maximum costs permitted given, in particular, the importance of the Jurisdiction Issue. Costs awarded in proceedings before IPOS are not intended to compensate the parties for the expense to which they may have been put (see Rule 75(2) of the TM Rules). As agreed by the parties, in accordance with the Scale of Costs set out in the Fourth Schedule of the TM Rules, the Applicants are ordered to pay the Opponents costs of \$1,000 within one month of the date of this decision.

# **Legislation discussed:**

Australian Trade Marks Act 1995 (Act No. 119 of 1995) Sections 55, 56 Australian Trade Marks Regulations 1995 (Statutory Rules 1995, No. 341) Regulations 5.8, 5.17(1)(a)

Intellectual Property Office of Singapore Act (Cap. 140, Rev. Ed. 2002) Sections 6, 7

Rules of Court (Cap. 322, Section 80, Rev. Ed. 2014) Order 14, Order 18 Rules 9, 12 and 19, Order 24, Order 26, Order 92 Rule 4

Trade Marks Act (Cap 332, Rev Ed. 2005) Sections 8, 70

Trade Marks Rules (Cap 332, Rev. Ed. 2008) Rule 26(1), 35, 36A(1), 37, 38, 82

UK Trade Marks Manual (Chapter 7, Tribunal Section, Section 4.19

UK Trade Marks Rules 2008 Rule 70

# **Cases referred to:**

Clinique Laboratories Inc. v Luxury Skin Care Brands Pvt Ltd [2003] FCA 1517 Elsworth Ethanol Company Limited v. Ensus Limite [2014] EWHC 99 (IPEC) Lee Tat Development Pte Ltd v Management Corporation Strata Title Plan No. 301 [2009] 1 SLR (R) 875

Nike International Ltd v Campomar SL [2005] 4 SLR (R) 76
Samsung Corp v Chinese Chamber Realty Pte Ltd [2004] 1 SLR (R) 382
Societe des Produit Nescafe SA v. Master Beverage Industries Pte Ltd [2009] SGIPOS 5
Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and Anor [2014] 1 SLR 911

#### **Textbooks referred to:**

Kerly's Law of Trade Marks and Trade Names, 15<sup>th</sup> Ed, (Sweet & Maxwell, 2011) Ng-Loy Wee Loon, Law of Intellectual Property of Singapore, Rev. Ed., (Sweet & Maxwell, 2009)

Singapore Civil Procedure 2013, Volume 1, (Sweet & Maxwell, 2013) Susanna H.S. Leong, Intellectual Property Law of Singapore, (Academy Publishing, 2013)

# **Representation:**

Mr Bryan Ghows and Ms Wang Yingyu (Via Law Corporation) for the Applicants Mr Arthur Yap (ATMD Bird & Bird LLP) for the Opponents