

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

Trade Mark No. T05/03947C

Hearing Dates: 29 April 2014, 17 June 2014

**IN THE MATTER OF TRADE MARK APPLICATION BY
FOX STREET WEAR PTE LTD
AND
OPPOSITION THEREOF BY
FOX RACING, INC.**

Hearing Officer: Mr Mark Lim Fung Chian

Principal Assistant Registrar of Trade Marks

Mrs Murgiana Haq (HS Legal LLP) for the Applicants

Mr Kevin Wong (Ella Cheong LLC) for the Opponents

Cur Adv Vult

GROUNDINGS OF DECISION

Introduction

1 On 30 March 2005, Fox Street Wear Pte Ltd (the “**Applicants**”) applied to register

Trade Mark Application No. T05/03947C  in Class 18 for the following goods:

“Luggage and cases; bags and back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags,

waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18”

(the “**Application Mark**”).

2 The Application Mark was accepted and published on 15 January 2007 for opposition purposes. Fox Racing, Inc. (the “**Opponents**”), filed their Notice of Opposition on 14 May 2007 to oppose the registration of the Application Mark. The Applicants filed their Counter-Statement on 18 June 2007 (as amended on 11 September 2007).

3 The Opponents filed evidence in the form of a Statutory Declaration of Geoff Fox, the Founder of the Opponents, dated 11 February 2010 (“**Opponents’ 1st SD**”) and a Statutory Declaration of Tan Chin Chuan, a private investigator hired by the Opponents, on 10 February 2010 (“**Investigator’s SD**”). In response, the Applicants filed a Statutory Declaration of Rajinder Singh, the Managing Director of the Applicants, on 2 February 2012 (“**Applicants’ SD**”). The Opponents then filed another two Statutory Declarations in reply. The first was that of Peter Fox, the President and CEO of the Opponents, dated 6 December 2012 (“**Opponents’ 2nd SD**”) and the second was a Supplementary Statutory Declaration of Geoff Fox dated 2 December 2013 (“**Opponents’ SSD**”).

4 On 1 April 2014, the parties exchanged their written submissions (referred to hereafter as the “**Applicants’ Written Submissions**” and the “**Opponents’ Written Submissions**” as the case may be). The opposition was heard before me on 29 April 2014 and 17 June 2014. On 10 June 2014, the Applicants requested for security for costs from the Opponents in the sum of S\$50,000. On the day of the hearing on 17 June 2014, parties informed me that they had reached an agreement for the Opponents to furnish security in the sum of S\$30,000. The Opponents agreed to provide security by 29 July 2014, and on this date, wrote to the Registrar to confirm that security had been furnished as agreed. The Grounds of Decision are therefore due on 29 October 2014.

5 For completeness, it should also be noted that opposition proceedings between the parties in respect of the Applicants’ application to register the same mark in Class 25 under trade mark application no. T0503948A are currently on-going.

Grounds of Opposition

6 The Opponents rely on Sections 7(6), 8(2)(b), 8(4)(b)(i), 8(4)(b)(ii), 8(7)(a) and 8(7)(b) of the Trade Marks Act (Cap 332, 2005 Re Ed) (the “**Act**”) in support of their opposition.

Applicable Law and Burden of Proof

7 The applicable law is the Act and the burden of proof falls on the Opponents.

Facts

8 Many of the relevant facts are disputed, and it is therefore helpful to set these out in some detail below. At the outset, I should also add that none of the parties' witnesses were cross-examined on their respective statutory declarations.

The Applicants

9 The Applicants are a company incorporated in Singapore on 8 January 1999 and claim to be a well-known manufacturer and distributor of various products in Classes 18 and 25.

10 The Applicants have various registered trade marks in Singapore as follows:

Registration No.	Mark	Date Registered	Specification
T81/03475D		11 August 1981	<u>Class 25:</u> Shirts, T-shirts, jackets, jeans, slacks and sportswear being articles of clothing, footwear.
T89/01706I		23 March 1989	<u>Class 25:</u> Jeans, jackets, shirts, T-shirts, sportswear being articles of clothing, footwear, headwears.
T98/00173J		7 January 1998	<u>Class 18:</u> Luggage and cases; bags, back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18.
T98/00174I		7 January 1998	

T99/09563A		2 September 1999	<p><u>Class 18:</u> Luggage and cases; bags, back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18</p> <p><u>Class 25:</u> Jeans, jackets, shirts, T-shirts, slacks, sportswear all being articles of clothing, footwear, headwear; all included in Class 25.</p>
------------	---	------------------	--

11 For convenience,  shall be referred to as the “**Applicants’ Fox Head Device**”,  shall be referred to as the “**Applicants’ Fox Tail Device**”, and  shall be referred to as the “**Applicants’ Fox Tail Device with Slogan**”.

12 It must be observed that the Applicants’ Fox Head Device,  (T81/03475D) was originally registered in Class 25 on 11 August 1981 in the name of Mohd Tafel bin Elamdin trading as Fox Clothing Company. Fox Clothing Company had allegedly informed the Applicants that they had used this mark in the 1980s, but that records have been destroyed through the passage of time; Fox Clothing Company is also no longer available as the business was terminated in 1995 (**Applicants’ SD** at [19]). This mark is now registered in the Applicants’ name by virtue of two assignments. The first assignment took place on 9 January 1998, pursuant to which the mark was transferred from Fox Clothing Company to Rajinder Singh trading as Guilford Enterprises. The second assignment, which took place on 2 August 1999, transferred the mark from Guilford Enterprises to the Applicants. Rajinder Singh is the Managing Director of the Applicants. With regard to these assignments, it should be noted that the Applicants had initially claimed to have acquired the mark directly from Fox Clothing Company. Further, the Applicants’ SD in this regard was truncated and stated that this mark was “acquired from its previous owners, Fox Clothing Company of [blank]” (sentence incomplete) (**Applicants’ SD** at [3]). This matter, which was picked up by the Opponents as evidence of bad faith on the part of the Applicants, is discussed at [48(2)] below.

13 In Class 18, the Applicants’ Fox Head Device,  , was registered by Rajinder Singh trading as Guilford Enterprises on 7 January 1998 (under registration no. T98/00173J). This was two days before the assignment of the Applicants’ Fox Head Device in Class 25 (T81/03475D) from Fox Clothing Company to Rajinder Singh trading as Guilford

Enterprises. The Applicants' Fox Head Device (T98/00173J) registered in Class 18 was similarly assigned to the Applicants on 2 August 1999.

14 According to Mr Rajinder Singh, the Managing Director of the Applicants, "Fox" was selected as the Applicants' company name as he wanted to develop a new line of clothing and accessories utilising the Applicants' Fox Head Device acquired from Rajinder Singh trading as Guilford Enterprises. Further, it was explained that the Application Mark, which was allegedly first used in 1999, is an extension of the concept of the Applicants' Fox Tail Device

with Slogan, . The Applicants alleged that their idea was to incorporate the Applicants' Fox Head Device (instead of the device of a fox tail) in the letter "O" in the word "Fox". The Fox Tail Device with Slogan was modernised by removing the oval device and substituting it with a banner depicting the words "What's Stopping You?" According to the Applicants, the concept was to use the Application Mark in the front of the apparel, for example, a T-shirt, and the Applicants' Fox Tail Device at the back of the T-shirt (**Applicants' SD** at [6]).

15 The Applicants further explained that there was already a market for Fox Clothing Company's goods when the first assignment (see [12] above) took place in 1998. At about this time, Mr Rajinder Singh said that he was aware of the Opponents' products which had just entered the market and offered speciality clothing and accessories for motor cross sports and cycling, under the "Moto-X-Fox" mark and later "". The Applicants asserted that they took extra pains to incorporate "distinguishing features" in their mark so that the Applicants could develop their own market which they claimed to have done since 2000 (**Applicants' SD** at [34], pg 19 in response to the Opponents' allegation of bad faith).

16 The Applicants claim to distribute their Class 18 goods through over 20 departmental stores and other retail outlets located throughout the island. According to the Applicants, they have also spent considerable amounts on marketing and promoting their goods through local newspaper advertisements. Their goods are also promoted through departmental stores' advertisements. The sales performance of the goods bearing the Applicants' mark in Singapore and the annual breakdown of their marketing expenditure in Singapore are alleged to be as follows (**Applicants' SD** at [9] and [10]):

Sales performance of goods bearing the Applicants' mark

Year	Gross Sales (currency not indicated)
2000	\$ 72,044.49
2001	\$ 122,889.41
2002	\$ 151,247.34
2003	\$ 290,558.32
2004	\$ 374,074.16
2005	\$ 349,083.50

2006	\$ 374,551.51
2007	\$ 330,947.14
2008	\$ 444,586.70
2009	\$ 484,698.15
2010	\$ 503,252.34
2011	\$ 539,448.78
Total:	\$ 4,037,381.84

Marketing Expenditure

Year	Expenditure (SGD)
2002	\$ 3,000.00
2003	\$ 12,500.00
2004	\$ 9,279.00
2005	\$ 3,167.00
2006	\$ 7,375.00
2007	\$ 8,143.00
2008	\$ 12,854.00
2009	\$ 10,200.00
2010	\$ 10,890.00
2011	\$ 14,390.00
Total:	\$ 91,798.00

17 It should be noted that the evidence put forward by the Applicants is strongly disputed by the Opponents (**Opponents’ 2nd SD** generally).

The Opponents

18 The Opponents, a company headquartered in Morgan Hill, California, were established in 1974 as Moto-X-Fox, a small distribution business for European motocross parts and accessories. Within two years, the Opponents were manufacturing high-performance suspension and engine components for racers looking for an on-track advantage. In 1977, the Founder of the Opponents, Geoff Fox created his own privately-owned professional motocross team, Team Moto-X Fox, which competed in various competitions. Through the competitions, the outfits worn by the Team Moto-X Fox riders gained popularity among the fans and interested enthusiasts who inquired about their availability. The Opponents then reorganised their business over the next few years to become a major player in the U.S. motocross apparel industry. (**Opponents’ 1st SD** at [3]-[6])

19 Over the last three decades, the Opponents claim that they have become an international leader in the youth lifestyle clothing market with their famous “Fox Head Logo” seen worldwide. The Opponents have remained a family-owned and operated business committed to making the best motocross products money can buy. (**Opponents’ 1st SD** at [7])

20 On 5 December 2009, the Opponents' Founder was inducted into the American Motorcycle Hall of Fame (**Opponents' 1st SD** at [12]).

21 The Opponents are the registered proprietors of various marks worldwide which incorporate the word "FOX" and/or the device of a "Fox Head" (**Opponents' 1st SD** at pg 61-255).

22 The table below illustrates the various marks which the Opponents have used in the US (which is where the marks were first used anywhere in the world) and in Singapore, and the respective dates of their first use:

No.	Trade Mark	First Use Date (in the US & Singapore)	Notes & Cross-reference to Opponents' Evidence
1		US: At least as early as 28 February 1981	Registered in the US in <u>Class 25</u> on 5 February 1985 (US Registration No. 1,318,236). Registration certificate indicates first use as 28 February 1981 (Opponents' 1 st SD at pg 151). Depicted on wallets and bags (<u>Class 18</u> goods) in 1986 catalogue (Opponents' 1 st SD at pg 334-335, 338).
		No use in Singapore relied on by Opponents	N.A.
2		US: 14 February 1976	Registered in the US in <u>Class 25</u> (among others) on 28 November 1989 (US Registration No. 1,568,070). Registration certificate indicates first use as 14 February 1976 (Opponents' 1 st SD at pg 152). No evidence provided of use on <u>Class 18</u> goods anywhere in the world.
		No use in Singapore relied on by Opponents	N.A.
3		US: 1994*	Depicted on apparel (<u>Class 25</u>) in 1994 catalogue (Opponents' 1 st SD at pg 407-408). Depicted on various types of bags (<u>Class 18</u>) in 1997 catalogue (Opponents' 2 nd SD at pg 42-43). *Note: The Opponents assert that the records of the USPTO show that the mark has been used at least as early as December 1984, but no evidence has been

			adduced to this effect. In any event, nothing turns on the precise date of first use of this mark.
		Singapore: At least as early as 16 September 1997	Sales of a purse (<u>Class 18</u>) and T-shirts (<u>Class 25</u>) bearing mark listed in invoice dated 16 September 1997 (Opponents' 2 nd SD at pg 53, 55).
4		US: 1994*	Depicted on apparel (<u>Class 25</u>) in 1994 catalogue (Opponents' 1 st SD at pg 407-409). Depicted on various types of bags (<u>Class 18</u>) in 1997 catalogue (Opponents' 2 nd SD at pg 42-43). *Note: The Opponents assert that the records of the USPTO show that the mark has been used at least as early as December 1984, but no evidence has been adduced to this effect. In any event, nothing turns on the precise date of first use of this mark.
		Singapore: At least as early as 16 September 1997	Sales of a purse (<u>Class 18</u>) and T-shirts (<u>Class 25</u>) bearing mark listed in invoice dated 16 September 1997 (Opponents' 2 nd SD at pg 53, 55). (Note: For Class 18, the Opponents are relying on the sale of the same purse in support of the use of both this mark as well as the preceding mark, which incorporates an identical "Fox Head" device between the letters "F" and "X".)
5		US: At least as early as 1 January 2005	Registered in the US in <u>Class 9</u> on 3 October 2006 (US Registration No. 3,151,681). Registration certificate indicates first use as 1 January 2005 (Opponents' 1 st SD at pg 114).
		No use in Singapore relied on by Opponents	N.A.
6		US: At least as early as 1 January 2005	Note: The Opponents rely on the records of the USPTO (they list two registration numbers in Opponents' 1 st SD at pg 85), but no evidence has been adduced to this effect. In any event, nothing turns on the precise date of first use of this mark.
		No use in Singapore relied on by Opponents	N.A.
7	FOX RACING	US: At least as early as 1998	Depicted on headbands (<u>Class 25</u>) in 1998 catalogue (Opponents' 2 nd SD at pg 73-74).

			<p>Depicted on a bag (<u>Class 18</u>) in 1999 catalogue (Opponents' 2nd SD at pg 87-88).</p> <p>(In both cases, I note that the products actually depict "FOX RACING INC.", which is the Opponents' company name.)</p>
		Singapore: at least as early as 3 November 1997	The Opponents rely on the sale of "Fox Racing Division Sticker" (<u>Class 16</u>) listed in invoice dated 3 November 1997 (Opponents' 2 nd SD at pg 61-62).
8	What's Stopping You?	US: at least as early as May 1997	The Opponents rely on the use of this slogan in an advertisement in <i>Motocross Action Magazine</i> (May 1997) for their apparel (<u>Class 25</u>) (Opponents' 2 nd SD at pg 32-33).
		Singapore: at least as early as 16 September 1997	The Opponents rely on the sale of two T-shirts (<u>Class 25</u>) described as "T-Shirt, Whats Stopping You" listed in invoice dated 16 September 1997 (Opponents' 2 nd SD at pg 53, 55).

23 The Opponents also refer to a "Fox Tail" logo () , which they allege that the Applicants have copied. It appears that this mark is owned by "Fox Factory, Inc" and was first used in commerce in 1978. From the pages from this company's website, which were adduced in evidence by the Opponents, it appears that the company was set up by one "Bob Fox", who appears to be a brother of the Opponents' Founder (**Opponents' 1st SD** at [42(ix)] and pg 279, 800-803). No evidence was adduced regarding the relationship between Fox Factory, Inc and the Opponents.

24 In Singapore, the Opponents are the registered proprietors of the following marks:

Registration No.	Mark	Date Registered	Specification
T01/17908D		17 November 2001	<u>Class 9:</u> Pressure gauges, motorcycle and safety helmets and protective clothing for motorcyclists and cyclists.
T01/17909B		17 November 2001	<u>Class 16:</u> Decals, stickers, calendars and catalogues relating to motocross sports clothing, protective gear, footwear, casualwear and accessories.
T01/17910F		17 November 2001	<u>Class 25:</u> Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts.

T05/03107C		27 April 2004	<u>Class 9:</u> Sports goggles; protective eyewear, namely spectacles, prescription eyewear, anti-glare glasses, sunglasses, motorcycling goggles and their parts and accessories, namely replacement lenses, frames, earstems, and nose pieces; cases specially adapted for spectacles and sunglasses and their parts and accessories.
T04/11560E		15 July 2004	<u>Class 9:</u> Motorcycle helmets, safety helmets and protective clothing, all for motorcyclists and cyclists.
T05/02940J		20 August 2004	<u>Class 9:</u> Sport goggles for use in motorcycling, bicycling, snowmobiling, snowboarding, skiing and other snow-related activities.
T05/26054D	FOX RACING	25 August 2004	<u>Class 9:</u> Sport goggles for use in motorcycling, bicycling and snow sports; protective eyewear, namely spectacles, prescription eyewear, anti-glare glasses, sunglasses, and motorcycling goggles and their parts and accessories, namely replacement lenses, frames, earstems, and nose pieces; cases specially adapted for spectacles and sunglasses and their parts and accessories.

25 At this juncture, it must be observed that the  mark (T01/17910F) was registered in Class 25 in Singapore through honest concurrent use with some of the Applicants' registered trade marks (see [55] below for details). Further, I note that the Opponents do not have any marks registered in Class 18 in Singapore, which is the class of interest for the Application Mark.

26 In addition to their registered trade marks, the Opponents also claim copyright in their "Fox Head" design. In particular, the Opponents rely on the following notices:

Jurisdiction	Date of Notice	Copyright Work	Copyright Owner	Cross-Reference to Opponents' Evidence
New Zealand	Not dated (Copyright Notice accepted by New Zealand Customs Service on 27 February 2002)		Fox Racing Inc (i.e. the Opponents)	Opponents' 1 st SD at pg 52
Canada	25 May 2009 (The certificate refers	Not clear. There is no depiction of the artistic	Fox Head, Inc (The author of the	Opponents' 1 st SD at pg 53-55

	to 19 April 2006 as the date of first publication in the USA.)	work for which the copyright certificate is granted. The title of the work, "FOX HEAD MISCELLANEOUS DESIGN #1" does not correspond with the artistic work depicted on the next page, namely, 	work is stated to be "Peter Fox".)	
Canada	25 May 2009 (The certificate refers to 30 September 1994 as the date of first publication in the USA.)		Fox Head, Inc (The author of the work is stated to be "Peter Fox".)	Opponents' 1 st SD at pg 56-58

27 Apart from the Opponents' various intellectual property rights, the Opponents have conducted their business in Singapore since 1996. They assert that they have sold their goods in Singapore through four bike or motorbike shops (**Opponents' 1st SD** at [16]). In this regard, the Opponents have adduced their sales figures for their goods in Singapore from the period 1996 to 2004 (**Opponents' 1st SD** at [21]):

Year	Singapore Sales (USD)
1996	\$ 17,091.00
1997	\$ 121,515.19
1998	\$ 120,317.95
1999	\$ 180,635.42
2000	\$ 215,827.41
2001	\$ 186,527.32
2002	\$ 229,882.51
2003	\$ 383,606.12
2004	\$ 196,481.28

28 In addition to selling their goods through retail outlets, sales are also conducted online through their own websites, www.foxracing.com and www.foxhead.com and third party websites including www.mxsouth.com, <http://mxdirtrider.com>, www.motowoldracing.com and www.motocrossgiant.com. According to the Opponents, their worldwide sales and marketing figures from 2003 to 2006 are as follows (**Opponents' 1st SD** at [17]-[19], [22]-[23]):

Worldwide Sales Figures: 2003 to 2006

Year	Worldwide Sales (USD)
------	-----------------------

2003	\$ 208,000,000
2004	\$ 325,000,000
2005	\$ 425,000,000
2006	\$ 500,000,000

Worldwide Marketing Expenditure: 2003 to 2006

Year	Worldwide Marketing Expenditure (USD)
2003	\$ 14,000,000
2004	\$ 16,250,000
2005	\$ 21,250,000
2006	\$ 25,000,000

29 However, there is no breakdown on how much was spent on advertising the Opponents' goods in Singapore.

The Opponents' Investigations

30 The Investigator's SD should be dealt with in some detail since the Opponents relied on it to support their allegation of bad faith against the Applicants. The relevant report in the Investigator's SD dated 19 August 2004 was made by Mr Tan Chin Chuan of Commercial Investigations LLP. The purpose of the report was to ascertain: (1) information on how the Applicants derived their trade marks; (2) information on the owner's background, i.e., whether he had past connections with the Opponents; and (3) prejudicial statements or admissions of the Applicants or their owner.

31 According to the report, investigations were conducted over a three-day period from 16 to 18 August 2004. The persons conducting the investigations were not disclosed, but were collectively referred to as "operatives". The salient facts of the report are recounted below.

32 On 16 August 2004, the operatives visited the Applicants' premises at 49 Tannery Lane at about 1pm. The premises had signages depicting "FOX", "GILFORD" and "LUMBERJACKS" (among others). They were informed by one female Indian staff known as Shanti that the sales manager was out of town. Shanti also did not have knowledge of the Opponents' "Fox" trade marks (depicted at [22] and [24] above). Another female Indian staff known as Geetha then arrived and attended to the operatives. Geetha said that the sales manager was outstation and there were no suitable personnel whom the operatives could speak to. Geetha had some knowledge of the Opponents' "Fox" marks and informed the operatives that the "Fox Street Wear" products owned by her company were different from the Opponents. She revealed that the Applicants also have a shop at 3 Coleman Street, #B1-

01/02 Peninsula Shopping Centre which was owned by the Applicants and managed by the same management.

33 On 18 August 2004 at about 1pm, the operatives visited the shop at #B1-01/02 Peninsula Shopping Centre. The outlet had a signage depicting “LUMBERJACKS APPAREL PTE LTD” and was staffed by a female Indian known as Pathma and a male Indian who appeared to be in his late 20s. Goods from both the Applicants and Opponents were seen at the outlet. In particular, there were four mannequins on top of a display shelf donning the Opponents’ “Fox Racing” jerseys. When questioned, Pathma did not know how the Applicants’ brand was derived and whether the Applicants were previously or presently connected with the Opponents. However, she was aware that “Fox Racing” is an American brand and the apparel was brought in from Malaysia without any packaging. The operatives then proceeded to purchase one of the Opponents’ T-shirts at \$30.00 which was packed in the Applicants’ plastic bag. It was observed that the Nets transaction slip was issued under the name of Gilford Enterprises rather than Lumberjacks and when asked, Pathma revealed that both companies belong to the same boss.

34 The version of events that happened on 18 August 2004 is disputed. The Applicants sought to clarify that the Opponents’ products that were found in the outlet were genuine parallel-imported products from a third party in Malaysia. The Applicants explained that the products had no packaging because the products were sold as stock lots by the manufacturer to a third party. The Applicants insist that Pathma packed the Opponents’ shirt into the Applicants’ plastic bag at the insistence of the operatives. Further, the Applicants allege that Pathma went to great lengths to explain the differences between the two marks and that the plastic bag was a plastic bag of the Applicants. There was no attempt to deceive nor was the investigator deceived. (**Applicants’ SD** at [34], pg 20 in response to the Opponents’ investigations)

Some Observations

35 Before examining each of the grounds of opposition below, I should highlight that there are many confounding factors in the current case, which complicate the matter. These include the following:

- (a) Apart from the Application Mark, the Applicants are also using other marks (see [10] above) which are even more similar, if not identical, to the marks which the Opponents are using (see [22] above). In particular, the Applicants are using the device of a fox head (), which is practically identical to the device of a fox head () which the Opponents are using. The Applicants’ Fox Head Device has been registered in Singapore on 11 August 1981 in Class 25 (see [10] above). The Opponents’ fox head device has apparently been used in the US on Class 25 goods since 14 February 1976, but has not been used in Singapore (see [22] above).

- (b) The Applicants' Fox Head Device was originally registered by a business known as Fox Clothing Company; this business is no longer in existence (see [12] above).
- (c) It is evident that the fox head device incorporated in the Application Mark is in fact a reproduction of the Applicants' fox head device.
- (d) Although the Opponents do not appear to use the above device of a fox head () in Singapore, they do use two other very similar fox head devices ( and ), both of which are registered in Singapore in 2004 for Class 9 goods (see [22] and [24] above).
- (e) The Opponents' mark, which is arguably most similar to the Application Mark (namely, T01/17910F () in Class 25), secured registration in Singapore by relying on honest concurrent use with the Applicants' prior registrations of  ,  and  (see [10] and [25] above and [55] below).
- (f) There are currently no proceedings in Singapore by the Opponents against the Applicants' prior registrations of  , or by the Applicants against the Opponents' prior registrations of  ,  ,  or  .

Some of the above information is depicted below in chronological order:

Date	Actions relevant to Applicants	Actions relevant to Opponents
14 Feb 1976		Opponents' fox head device () (apparently) used in the US for Class 25 goods
11 Aug 1981	Applicants' Fox Head Device () registered in Singapore in Class 25 by Fox Clothing Company	
17 Nov 2001		Opponents register  in Singapore in Class 25. Opponents secured registration in Singapore by relying on honest concurrent use with Applicants' prior registrations of  ,

		 and 
27 Apr 2004 & 15 Jul 2004		Opponents register two other very similar fox head devices ( and ) in Singapore in Class 9
30 Mar 2005	Filing of Application Mark ()	

MAIN DECISION

Ground of Opposition under Section 7(6)

36 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.

37 This was the main ground of opposition advanced by the Opponents. Among other things, close to 30 pages of the Opponents’ 85-page Written Submissions were devoted to this ground.

38 At the hearing on 17 June 2014, in response to the Opponents’ submissions, Counsel for the Applicants indicated that the parties are in agreement on the applicable principles relating to “bad faith”. The dispute between the parties concerned the application of these principles to the facts of the present case. In my view, the main issue in this case is what approach should be taken when the facts are heavily disputed, and there has been no cross-examination of any witnesses on their evidence.

39 To begin, it would be helpful to briefly set out the applicable principles of law which have been helpfully summarised in the Court of Appeal decision in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 (“*Valentino*”). As Chao JA observed (at [28]-[30]):

“28 Turning to local case law, in *Rothmans*, ([20] *supra*), our High Court endorsed Lindsay J’s observations of the concept of bad faith in [*Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 29]. Further, both Lindsay J’s and Geoffrey Hobbs QC’s approaches were again adopted by another High Court judge in *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073 (“*Warman*”) where the judge stated at [48] that:

... the term ‘bad faith’ embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and

experienced persons in a particular trade, even though such dealings may otherwise involve ‘no breach of any duty, obligation, prohibition or requirement that is legally binding’ upon the registrant of the trade mark ...

“29 In [*Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd* [2009] 2 SLR(R) 814 (“*Wing Joo Loong*”), this court observed at [105] that “[t]he test for determining bad faith, in the context of the English Trade Marks Act, was settled by the English Court of Appeal” [emphasis in original]. It would be useful to set out in full the observations of this court at [105]-[106] which are as follows:

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

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

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

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

35 ... Bad faith is to be judged according to the combined test of dishonesty for accessory liability [for] breach of trust set out by the majority of the House of Lords in *Twinsectra Ltd v Yardley* [2002] 2 A.V. 164, with *Gromax Plasticulture* [(103) *supra*] ... providing the appropriate standard namely, acceptable commercial behaviour observed by reasonable and experienced persons in the particular commercial area being examined.

...

41 ... [T]he upshot of the Privy [Council’s] decision in [*Barlow Clowes International Ltd v Eurotrust International Ltd* [2006] 1 WLR 1476] is: (a) to confirm the House of Lords’ test for dishonesty applied in *Twinsectra*, i.e. the combined test; and (b) to resolve any ambiguity in the majority of their Lordships’ statement of that test by making it

clear that an enquiry into a defendant's views as regards the normal standards of honesty is not part of the test. The subjective element of the test means that the tribunal must ascertain what the defendant knew about the transaction or other matter in question. It must then be decided whether in the light of that knowledge, the defendant's conduct is dishonest judged by ordinary standards of honest people, the defendant's own standards of honesty being irrelevant to the objective element ...

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

“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 possible by a process of inference. [emphasis added; emphasis in original omitted]

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

An allegation of bad faith is a serious one, and it must be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will *rarely be possible by a process of inference*. [emphasis added]”

40 The Opponents also cited the case of *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 (“*Festina*”) at [100] where the High Court spelt out three instances by which a court could find that there was bad faith, namely, that: (a) there was no intention to use the mark; (b) there was an abuse of relationship; and (c) the applicant was aware that a third party had some sort of claim to goodwill in the mark. With regard to instance (c), the Opponents highlighted the UK Trade Marks Registry case of *Team Lotus Ventures Ltd's Application; Opposition of Group Lotus Ltd* [1999] E.T.M.R. 669 (“*Team Lotus*”) (at pg 673) in support of the proposition that bad faith would be inferred if “*there is a striking degree of similarity between [the applicant’s mark and the opponent’s mark], so much so that it would be incredible to conclude that the applicant produced its mark as the result of coincidence.*” In particular, the Opponents relied on the case of *Rothmans of Pall Mall Ltd v Maycolson International Ltd* [2006] 2 SLR(R) 551 (“*Rothman*”) at [19] where the High Court held that a trade mark applicant had a positive duty to investigate into the *bona fides* of a mark before seeking registration so as to uphold the sanctity of the trade marks register and its system of registration.

41 On the alleged “positive duty to investigate” imposed by *Rothman* (on which it is not necessary to express a view), it is also important to note the remarks of the High Court in *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073 (“*Warman*”) at [49]:

“In the present case, it is common ground that the key issue in the determination of bad faith pivots around the fulcrum of proprietorship of the “Warman” mark in Singapore. It appears to me to be an incontrovertible proposition that if a registrant of a trade mark has proprietorship of that trade mark, or at the very least, the *right to register* that trade mark, then such registration of the trade mark should fall well within the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade. Conversely, where it can be shown that the applicant knew of an *exclusive* proprietary right of *another* in relation to the trade mark it seems to furtively register, then any such registration would, almost invariably, quite clearly fall short of the relevant standards. As such, it is important to first examine and determine the issue of proprietorship.”

These remarks were described as “*illuminating*” by the Court of Appeal in *Valentino* at [38].

42 For the purposes of the present case, the above principles can be encapsulated in the following propositions: (1) the test of bad faith contains both a subjective element (*viz*, what the particular applicant knows) and an objective element (*viz*, what ordinary persons adopting proper standards would think); (2) the key issue in the determination of bad faith is often the issue of proprietorship of the mark in dispute; (3) whether bad faith exists or not hinges on the specific factual matrix of each case; and (4) an allegation of bad faith is a serious claim to make; it must be sufficiently supported by the evidence, and it will rarely be possible to prove an allegation of bad faith by a process of inference.

43 In the present case, the Opponents rely mainly on three factors. First, the Opponents argue that the Application Mark () is strikingly similar to the Opponents' prior , , and  marks, so as to give rise to a clear inference that the Applicants have blatantly misappropriated the Opponents' intellectual property rights.

44 Secondly, the Opponents reject the Applicants' alleged derivation of the Application Mark (as set out in [14] above) as a convenient afterthought. The Opponents assert that the Applicants' earlier mark () , registered on 2 September 1999, from which the Application Mark was allegedly derived is itself a copy of a "Fox Tail" logo () owned by Fox Factory, Inc and first used in commerce in 1978, and that the slogan "What's Stopping You?" was first used by the Opponents in 1987 (see [22] above (item no. 8 in the table)).

45 Thirdly, the Opponents rely on the investigations conducted in 2004 (outlined at [30]-[34] above).

46 I will discuss some of the Opponents' specific allegations below. Before doing so, it is necessary to consider how I should deal with the fact that there is substantial dispute between the parties on the evidence before me, and that none of the deponents of the various statutory declarations adduced in evidence have been cross-examined on their evidence.

47 Parties have not drawn my attention to any local cases which have considered this issue nor addressed me on this issue either in their written or oral submissions. I note that the learned authors of *Kerly's Law of Trade Marks and Trade Names, 15th Ed* (Sweet & Maxwell, 2011) ("*Kerly's*") address this issue at [5-107] as follows:

"In the cases of *Brutt Trade Marks* and *Pan World Brands Ltd v Tripp Ltd (Extreme Trade Mark)* Richard Arnold QC (as he then was) sitting as an Appointed Person gave guidance as to the circumstances when cross examination was appropriate in Registry proceedings. As stated by the Appointed Person in *Brutt Trade Marks* cross examination is not always necessary when evidence is to be challenged in Trade Mark Registry proceedings:

"It is the function of cross-examination to assist the tribunal to resolve conflicts of evidence. I agree with the hearing officer in thinking that cross examination would have assisted him in the present case. **It does not follow, however, that cross-examination is essential in a case where bad faith is alleged or that the tribunal cannot assess evidence or make findings of fact in its absence. Fairness requires that adverse findings should not ordinarily be made against a witness, such as a finding that he has acted in bad faith, without the witness having the charge put to him and being given an opportunity to answer it: see *Allied Pastoral Holdings v Federal Commissioner of Taxation* (1983) 44 A.L.R. 607 at 623.** It should be borne in mind, however, that **in proceedings such as these evidence is served sequentially and that giving a witness a proper opportunity to deal with a**

point will not necessarily require cross-examination. More importantly, perhaps, **if the opportunity for cross-examination is passed up, the consequence is that the tribunal must assess the evidence on that basis rather than refraining from considering the evidence and reaching a conclusion.**”

“Further as the Appointed Person made clear in *Extreme Trade Mark* **the Registry is not obliged to accept a witness's evidence in the absence of cross examination if it is obviously incredible.** However the Appointed Person went on:

“Where, however, evidence is given in a witness statement filed on behalf of a party to registry proceedings which is not obviously incredible and the opposing party has neither given the witness advance notice that his evidence is to be challenged nor challenged his evidence in cross-examination nor adduced evidence to contradict the witness's evidence despite having had the opportunity to do so, then I consider that the rule in *Brown v Dunn* applies and it is not open to the opposing party to invite the tribunal to disbelieve the witness's evidence.

Despite this, it is not an uncommon experience to find parties in registry hearings making submissions about such unchallenged evidence which amount to cross-examination of the witness in his absence and an invitation to the hearing officer to disbelieve or discount his evidence. There have been a number of cases in which appeals have been allowed against the decisions of hearing officers who have accepted such submissions. Two recent examples where this appears to have happened which were cited by counsel for the proprietor are *Score Draw Ltd v Finch* [2007] EWHC 462 (Ch), [2007] Bus L.R. 864 and *EINSTEIN Trade Mark* (0/068/07). Another recent example is Scholl Ltd's Application (0/199/06). I consider that hearing officers should guard themselves against being beguiled by such submissions (which is not, of course, to say that they should assess evidence uncritically). ” ”

(emphasis added; footnotes omitted)

48 In the absence of submissions, I propose to follow this approach in the current case. While I agree that the Applicants' evidence does raise several questions, I find that it would not be appropriate to make adverse findings against the Applicants without giving them the opportunity to clarify or substantiate their evidence. Two examples will suffice to illustrate my hesitation in disbelieving the Applicants' evidence out of hand:

- (1) Investigations by Opponents (see details at [33]-[34] above) – When the Opponents' investigators purchased one of the Opponents' T-shirts from the Applicants, the purchased item was packed in the Applicants' plastic bag. In the Opponents' first round of evidence, this was taken as clear evidence that the Applicants were deliberately trying to confuse or deceive the public (**Opponents' 1st SD** at [42]). In response, the Applicants flatly rejected this evidence. Instead, the Applicants asserted that the Opponents' shirt was packed into the Applicants' plastic bag at the insistence of the investigators. Further, the Applicants allege that the retail assistant went to

great lengths to explain the differences between the two marks and that the plastic bag was a plastic bag of the Applicants (**Applicants’ SD** at [34], pg 20 in response to the Opponents’ investigations). In reply, the Opponents strongly rejected the Applicants’ assertions and point out, among other things, that “*the said staff clearly did not have to be forced to pack the product into such packaging, since this was done as a matter of course*” (**Opponents’ 2nd SD** at pg 24(d)). At the hearing on 17 June 2014, Counsel for the Applicants rejected the Opponents’ insinuations and highlighted that one of the objectives of the investigations was to obtain prejudicial statements or admissions from the Applicants.

(2) Assignment of Applicants’ Fox Head Device,  (T81/03475D) – When the Applicants filed their evidence, they asserted that this mark was “*acquired from its previous owners, Fox Clothing Company of [blank]*” (sentence incomplete), and that this registration was transferred to the Applicants on 9 January 1998 (**Applicants’ SD** at [3] and [17]). The Opponents pounced on this evidence in their reply arguing that “[t]his sudden emergence of a purported other entity ‘Fox Clothing Company’... at this advanced stage of proceedings is both startling and wholly unsubstantiated” (**Opponents’ 2nd SD** at [4]). The Opponents further pointed out that the purported assignment to the Applicants could not have taken place on 9 January 1998 as the Applicants were only incorporated a year later on 8 January 1999 (**Opponents’ 2nd SD** at [17]). However, at the hearing on 29 April 2014, Counsel for the Applicants produced assignment documents recorded with the Trade Marks Registry showing that this mark was originally registered on 11 August 1981 in the name of Mohd Tafel bin Elamdin trading as Fox Clothing Company, assigned to Rajinder Singh trading as Guilford Enterprises on 9 January 1998, then assigned again on 2 August 1999 to the Applicants. These assignments were not disputed by the Opponents.

49 Without the benefit of cross-examination and the opportunity to observe the relevant persons, it is not possible for me to assess who should be believed. I am of the view that it would not be appropriate to make factual findings against the Applicants without them having the opportunity to respond to the Opponents’ allegations.

50 Apart from the above, I note that one of the main features of the Application Mark is the Applicants’ Fox Head Device, , which has been registered since 1981 and has not been, and is not being, challenged by the Opponents. In contrast, the first registrations by the Opponents for marks incorporating a similar fox head device ( and ) were only obtained in 2001. It could therefore be argued that the Applicants had, in the words of the High Court in *Warman*, the right to register the Application Mark.

51 Although it appears that the Opponents have been using a very similar (and arguably identical) fox head device () since 1974, there is no evidence that Mohd Tafel bin Elamdin trading as Fox Clothing Company copied this device. Even if he did, there is no evidence that the Applicants knew or should have known about this, particularly given that

this mark had already been on the Register for 18 years before the Applicants acquired it. There is also no evidence that the Applicants are related to Fox Clothing Company.

52 I find that the Opponents have not met the high threshold required to establish bad faith. In the circumstances, the ground of opposition under Section 7(6) fails.

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

53 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.

54 For this ground of opposition, the Opponents rely on their earlier trade marks listed at [22] above. For ease of comparison, I reproduce below the Application Mark and the more relevant among the Opponents’ trade marks, together with the respective goods for which the marks are applied or registered:

Application Mark	Opponents' Marks	
		
Goods applied for	Goods for which marks registered	
Luggage and cases; bags and back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in <u>Class 18</u>	<u>Class 9:</u> Pressure gauges, motorcycle and safety helmets and protective clothing for motorcyclists and cyclists. <u>Class 16:</u> Decals, stickers, calendars and catalogues relating to motocross sports clothing, protective gear, footwear, casualwear and accessories. <u>Class 25:</u> Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts.	<u>Class 9:</u> Sport goggles for use in motorcycling, bicycling, snowmobiling, snowboarding, skiing and other snow-related activities.

Relevance (if any) of Registration of Opponents' Mark through Honest Concurrent Use

55 As a preliminary point, it is important to consider the relevance (if any) of the fact that the Opponents'  mark (T01/17910F) in Class 25 was registered in Singapore through honest concurrent use with the Applicants' prior registrations of ,  and . Specifically, the Opponents overcame objections from the Trade Marks Registry by "show[ing] to the satisfaction of the Registrar that there has been honest concurrent use in the course of trade in Singapore of the [Opponents'] trade mark" pursuant to Section 9(1) of the Act.

56 This issue was raised in the Applicants' SD (at [25]) and during the hearing on 17 June 2014, but not in the Applicants' Written Submissions. Essentially, the Applicants argue that, just as the Opponents'  mark (T01/17910F) in Class 25 was permitted to proceed to registration, the Application Mark should similarly be permitted registration. In the Opponents' 2nd SD (at [23]-[25]), the Opponents argue that the registration of this mark through honest concurrent use is irrelevant to the current opposition proceedings, and that in any event, the current opposition proceedings are directed at a different mark, namely, the Application Mark, which should be considered as a composite whole and not dissected into its constituent elements. This issue is also not addressed in the Opponents' Written Submissions, and at the hearing, the Opponents basically reiterated their position as set out in the Opponents' 2nd SD.

57 As explained in **Susanna H.S. Leong, *Intellectual Property Law of Singapore (Academy Publishing, 2013)*** ("**Susanna Leong**") (see [28.420]-[28.433] generally), honest concurrent use "*provides a limited exception to the objection that registration of a trade mark should be refused as there is a conflict of marks under the relative grounds*" (at [28.420]). In Professor Leong's view, "*once the applicant successfully proves honest concurrent use, the registrar cannot refuse registration by looking at other discretionary matters*" (such as whether there will be any confusion to the public). The onus is on the proprietor of the earlier mark to commence opposition proceedings, and if the proprietor does so, "*the registrar does not have the discretion to permit registration even though honest concurrent use has been established*" (see [28.427]-[28.433]).

58 It does appear ironic that the Application Mark could be blocked by a mark of the Opponents, which could itself have been blocked by some of the Applicants' own prior marks. However, there is nothing in the wording of Section 8(2) of the Act which suggests that an opponent may not, in opposition proceedings, rely on an earlier trade mark which secured registration on the basis of honest concurrent use with other trade marks owned by the applicants.

59 It may well be that what the Applicants should have done is to apply to invalidate the Opponents' mark under Section 23 of the Act, which they are expressly permitted to do under Section 9(2)(b) of the Act (but see also Section 24 of the Act (Effect of acquiescence)). Additionally, the Applicants could perhaps rely on some doctrine of acquiescence or estoppel. However, in the absence of any submissions to this effect by the Applicants, and bearing in mind the adversarial nature of opposition proceedings, I am unable to hold that the Opponents are prevented from relying on their  mark (T01/17910F) in Class 25 in support of an opposition under Section 8(2) of the Act.

Test under Section 8(2) of the Act

60 Contrary to the Opponents' submission that the acid-test for determining if registration should be disallowed under Section 8(2) of the Act is the test set out in ***Sabel BV v Puma AG [1998] RFC 199*** ("***Sabel***"), the law in Singapore on the applicable test for determining whether a mark is likely to cause confusion with an earlier mark is that of the step-by-step approach as most recently enunciated by the Court of Appeal in ***Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc [2014] 1 SLR 911*** ("***Staywell***"). The step-by-step approach, as opposed to the European global appreciation approach in ***Sabel***, is to be preferred "*as being conceptually neater and more systematic and, importantly, as being more aligned with the requirements imposed under our statute*" (***Staywell*** at [15]). This step-by-step approach was clearly set out by the Court of Appeal in ***Staywell*** at [55]:

"55 Under our law, the two threshold requirements for successfully opposing a proposed registration, or establishing liability for infringement, are similarity or identity of the marks and similarity and identity of the services. Once these threshold criteria have been met, the issue of the likelihood of confusion arises and this in our view directs the court to look at (a) *how* similar the marks are; (b) *how* similar the services are; and (c) given this, how likely the relevant segment of the public will be confused. In *Hai Tong* we said ([18] *supra* at [85(c)]):

Having regard to the express terms of s 27(2), there are three specific elements that plainly must be considered. These are: (i) the similarity between the registered mark and the allegedly infringing mark; (ii) the similarity or identity between the goods or services in relation to which the marks are used; and (iii) the relevant segment of the public in relation to whom the court must consider the likelihood of confusion. Each of these elements can vary. The marks maybe identical or similar, and if the latter, they can vary in their degree of similarity. In the same way, the goods or services in relation to which the marks are used may be identical or similar, and again, if the latter, they may vary in the degree or extent to which they are similar. ... And as to the relevant segment of the public, there may be characteristics that are particular to the group in question. Each of these factors will have a bearing on the likelihood of confusion. As an illustrative proposition, the likelihood of confusion must

be greater where, say, the contesting marks are similar to a high degree, the goods are identical in nature and the segment of the public in question is undistinguished in its attention than would be the case if the marks and the goods are somewhat similar but not exceedingly so, and the relevant segment of the public happens to be highly knowledgeable and very fastidious. ...”

61 In addition, the Court of Appeal has also affirmed that there is a distinction between the likelihood of confusion inquiry in an opposition proceeding as opposed to an infringement proceeding. In the former, “*the inquiry must take into account the full range of the competing monopoly rights that are already enjoyed on the one hand, namely the actual and notional fair uses to which the incumbent proprietor has or might fairly put his registered trade mark, and compare this against the full range of such rights sought by the applicant by reference to any use by the applicant (assuming there has been prior use) as well as notional fair uses to which the applicant may put his mark should registration be granted*” (*Staywell* at [60]).

Threshold Issue 1: Mark Similarity

62 The decided cases have established that there are three aspects of similarity to consider, viz, visual, aural and conceptual similarity. Further, it is well-established in Singapore law that there is no requirement that all three aspects of similarity must be made out before the marks can be found to be similar (*Staywell* at [18]; *MediaCorp News Pte Ltd v Astro All Asia Networks plc* [2004] 4 SLR(R) 496 at [32]; *Sarika Connoisseur Café Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 (“*Sarika*”) at [16]). Instead, the three aspects of similarity “*are signposts towards answering the question of whether the marks are similar...[and] [t]rade-offs can occur between the three aspects of similarity in the marks similarity inquiry*” (*Staywell* at [18]).

63 In addition, the Court of Appeal in *Staywell* rejected the idea that the marks similarity requirement is a “*low threshold test*” not only because the low threshold or minimum threshold requirement is not supported in law, but also because it is “*inconsistent with the reality that the similarity of marks is ultimately and inevitably a matter of impression rather than one that can be resolved as a quantitative or mechanistic exercise*” (*Staywell* at [17]). Further, the court held that the low or minimum threshold approach would be unfaithful to the step-by-step approach mandated by the Act as it “*would backload much of the court’s assessment to the confusion inquiry stage*” (*Staywell* at [19]). Ultimately, an assessment of similarity “*must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components*” (*Staywell* at [26] citing *Sabel* at pg 224).

64 As stated by the Court of Appeal in *Staywell* (at [20]), marks similarity requires a mark-for-mark assessment without consideration of external matters. The consideration of external matters are reserved for the confusion stage as that is when the court is required to assess the effect of the objective similarity of the marks on consumer perception. This

approach was also held to be conceptually clearer as it recognises that the issue of resemblance between the competing marks is distinct from the question of the effect of such resemblance. As Menon CJ observed:

“20 Finally, on this issue, we reiterate that the assessment of marks similarity is mark-for-mark without consideration of any external matter: see *Mediacorp* at [33], *Sarika* at [17] and *Hai Tong* at [40(b)]. This means that *at the marks similarity stage* this even extends to not considering the relative weight and importance of each aspect of similarity having regard to the goods. This does not mean that the court ignores the reality that the relative weight and importance of each aspect of similarity might vary from case to case and will in fact depend on all the circumstances including the nature of the goods and the type of marks, as we observed at [40(b)] of *Hai Tong*. Rather, such considerations are properly reserved for the *confusion* stage of the inquiry, because that is when the court is called upon to assess the *effect* of objective similarity between the marks, on the perception of consumers. We recognise that this reflects a slight departure from the approach taken by the High Court in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 at [55]-[56], and by this court in *Sarika* at [38]. We think that this is conceptually clearer because it recognises that the issue of *resemblance* between the competing marks is distinct from the question of the *effect* of such resemblance. A practical application of this approach can be found in European jurisprudence: see *Mystery Drinks GmbH v OHIM* (T 99/01) [2004] ETMR (18) 217 and *Phillips-Van Heusen Corp v OHIM* [2003] ETMR 60. In these cases the court considered, respectively, the particular significance of aural similarity in relation to beverages normally sold by oral order, and visual similarity in relation to clothing normally sold based on the consumer’s direct perception, both for the specific purpose of determining whether consumer confusion was likely to arise.”

65 Before analysing whether the marks in the present case are similar, I also note that it is trite law that this inquiry should be undertaken from the perspective of the average consumer, 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: see, amongst others, the Court of Appeal decision in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 (“*Hai Tong*”) at [40].

Visual Similarity

66 I agree with the Opponents that the marks are visually similar. The dominant component of both marks is the “fox head” device within the word “FOX”. Furthermore, the overall graphic design and font style used for the textual features are similar, while the “fox head” devices strongly resemble each other.

Aural Similarity

67 An interesting issue arises as to how the marks in the present case should be compared from the perspective of aural similarity. Should both marks be regarded simply as “FOX” for the purposes of this comparison? Or would the Opponents’ marks be pronounced “F...X” instead? And, for the Application Mark, must we take into account the presence of the name “Fox Street Wear” and the slogan “What’s stopping you?” as well?

68 The Court of Appeal in *Staywell* at [31] to [32] alluded to two approaches for assessing aural similarity: (1) ascertain the “*common dominant element*” of both marks and (2) undertake a “*quantitative assessment as to whether the competing marks have more syllables in common than not*”:

“31 At [21], [24] and [27] of the GD, the judge considered the word “Regis” to be the dominant and distinctive component of both marks when each is read out. In our view, she was perfectly entitled to come to this view. Staywell’s argument that the judge erred in considering the dominance of “Regis” because the Opponents had never used or registered the component “Regis” alone was misconceived simply because, as we have pointed above, a component can clearly be dominant even if it is part of the mark as a whole and is not and has never been used on its own. In fairness to the judge, it should be noted that she specifically considered that the “St.” and “Park” portions of the competing marks, though not as dominant as the “Regis” portion, were not to be ignored... In relation to both the competing marks “Regis” is the element that is distinctive in the non-technical sense because it is what will stand out in the imperfect recollection of the consumer. The judge was therefore entitled to find this the common dominant element of both marks in assessing the question of whether the competing marks as a whole were similar.

“32 An alternative approach which does not involve considering the dominant components of the marks would have been simply to undertake a quantitative assessment as to whether the competing marks have more syllables in common than not. This was the approach taken in *Ozone Community* at [55]...”

69 Although the Court of Appeal did not decide on this issue, it held that the High Court was entitled to adopt the first approach, and in fact appeared to endorse this approach (at [33]).

70 It could be that the proper approach to take would depend on the facts of each individual case. In the current situation, I am of the view that both marks would be pronounced by the average consumer as “FOX”. I therefore find that the marks are aurally similar (and arguably identical, from an aural perspective).

Conceptual Similarity

71 The Application Mark and the Opponents' marks both clearly bring to mind the concept of a fox. It is not necessary to venture further to consider what qualities or ideas are evoked when the average consumer applies this concept to the goods in question, since the same qualities or ideas (whatever they may be) are likely to be evoked.

72 I should add, however, that this aspect of similarity is perhaps less relevant since, as the Applicants point out, the concept of a fox is also used by other traders (namely,  by Fox-Wizel Ltd and "FOX" by Twentieth Century Fox Film Corporation) at least in relation to the goods in Class 25 (**Applicants' SD**, Exhibit "R-7").

Conclusion on Mark Similarity

73 As I have found that the marks are visually, aurally and conceptually similar, it follows that I find them to be similar overall.

Threshold Issue 2: Goods Similarity

74 The Application Mark is applied for in respect of "Luggage and cases; bags and back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18."

75 The Opponents do not have any registrations in Class 18. Among the goods for which the Opponents have relevant registrations, the goods which could most reasonably be regarded as being similar are "Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts" registered in Class 25. It would therefore be convenient to compare these goods with the Applicants' goods of interest.

76 Jacob J (as he then was) in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 ("**British Sugar**") (at pg 296-297) considered the following factors as relevant in an assessment of whether or not there is similarity in goods or services:

- (a) the respective uses of the respective goods;
- (b) the respective end users of the respective goods;
- (c) the physical nature of the goods;
- (d) the respective trade channels through which the goods reach the market;
- (e) in the case of self-serve consumer items, whether in practice they are respectively found or likely to be found on the same or different shelves; and

(f) whether the respective goods are competitive or complementary. This inquiry may take into account how those in the trade classify goods, for instance whether market research companies who act for the industry put the goods or services in the same or different sectors.

These factors have been accepted in numerous Singapore cases: see cases cited in *Susanna Leong* at [28.357].

77 The issue of whether goods in Class 18 and Class 25 are similar has been considered in several cases in Singapore, the UK and Europe.

78 In *Itochu Corporation v Worldwide Brands, Inc.* [2007] SGIPOS 9 (“*Itochu*”) at [40], the Principal Assistant Registrar concluded that items of apparel in Class 25 are similar to goods in Class 18, such as belts, which are worn together with clothing.

79 In *Festina Lotus SA v Romanson Co Ltd* [2010] SGHC 200 (“*Festina*”), the comparison was, among other things, between:

The applicants’ goods in:	The opponents’ goods in:
<u>Class 14</u> Specifically, necklaces, rings, bracelets, earrings, medals and brooches	<u>Classes 9</u> Spectacles
	<u>Class 18</u> Leather and imitation leather; goods made of these materials and not included in other classes; animal skins and hides; trunks and suitcases; umbrellas; parasols and walking sticks; whips, harness and saddler.
	<u>Class 25</u> Clothing and footwear

The High Court held (at [72]), overruling the Principal Assistant Registrar (see *Festina Lotus SA v Romanson Co Ltd* [2010] SGIPOS 2), that:

“72. **it would be reasonable in the modern context to regard the goods in Classes 9, 14, 18 (trunks and suitcases and, in some instances, even umbrellas and parasols) and 25 as complementary in nature and are likely to be of similar uses, targeting almost identical end users and employing similar if not identical trade channels by which the goods reach the market.** Thus, there is *some* similarity between "necklaces, rings, bracelets, earrings, medals and brooches" in the Respondent's application and the goods for which the Appellant's other marks are registered in Classes 9, 18 (the items specified above) and 25.”

(emphasis added)

80 In the UK Trade Mark Registry decision in *QS by S. Oliver Trade Mark* [1999] RPC 520 (“*QS*”) at pg 527, the Hearing Officer held that items in Class 18 that should be regarded

as clothing accessories would be regarded as similar to clothing in Class 25. On this basis, he decided as follows:

- (a) leather goods, leather bags, other leather goods which are not specifically made for the things they contain, container and purses – similar;
- (b) sports bags, shopping bags, toilet bags, keybags, boxes – not similar.

81 In the recent (29 April 2014) decision of the General Court of the European Union (Seventh Chamber) in *Asos plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Case T647/11* (“Asos”) at [43]-[52], the General Court upheld the decision of the Board of Appeal that ‘bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses’ in Class 18 are not similar to clothing, footwear and headgear in Class 25. The General Court opined that these Class 18 goods had an essentially utilitarian function, whereas the Class 25 goods had an aesthetic function. According to the court, “*the purchase of the goods at issue in Class 18 is viewed independently from the purchase of ‘clothing, footwear, headgear’ in Class 25.*” Consequently, these goods cannot be considered to be clothing accessories. The Court further opined that “*even if the goods at issue in Class 18 were to share with the goods at issue in Class 25 the same distribution channels and have the same end users, that would not suffice for the conclusion that there is a similarity between those goods.*”

82 I note that the Singapore High Court in *Festina* (at [70]) briefly noted this idea of “aesthetic harmony” or “aesthetic complementarity” discussed in two other European cases without expressing a view on the position. Instead, the High Court took a much more expansive view when goods may be considered to be similar (at [71], [72] (already cited above) and [75]):

“71 As the Appellant rightly observed, there is a growing phenomenon of brands expanding into goods of various kinds in recent years. Sometimes, the crossing-over takes place between goods that one does not commonly associate with each other, for instance, cigarettes and clothing. The idea of licensing out one's trade mark or engaging in a sister brand or diffusion line has inevitably led to the same trade mark being found on a multitude of goods available in the market. In this regard, there is force in the Appellant's submissions that there is a sense of "relatedness" between goods such as necklaces and clothing and a broad classification of these items as "fashion accessories" or "lifestyle goods" may be justified.

“72 Applying the *British Sugar* ([66] *supra*) test to the present facts, it would be reasonable in the modern context to regard the goods in Classes 9, 14, 18 (trunks and suitcases and, in some instances, even umbrellas and parasols) and 25 as complementary in nature and are likely to be of similar uses, targeting almost identical end users and employing similar if not identical trade channels by which the goods reach the market...

.....

“75 Indeed, with today's creative proliferation of goods morphing and merging in functionalities and forms, one begins to wonder whether the classification of goods for trade mark purposes is becoming dated and whether it reflects present-day commerce.”

83 Interestingly, I note that in the present case, the Opponents do in fact apply their marks to both Class 18 goods such as back packs, sports bags, wallets, travelling bags, purses, duffel bags, etc (see e.g. **Opponents’ 2nd SD** at pg 42-50) as well as clothing in Class 25 for which their  mark is registered. The Opponents are also clearly targeting the same consumers as these products appear in the same catalogues. In contrast, in *Asos* (at [51]), the court noted, without comment, that the “*argument that those goods in Class 18 and the ‘clothing, footwear, headgear’ in Class 25 are generally produced by the same manufacturer has not been substantiated.*” Further, it is apparent from the **Investigator’s SD** that the Applicants also sell both bags and clothing (among other things) in their retail outlets.

84 In view of the observations of the High Court in *Festina* reproduced at [79] and [82] above, and given that the evidence in the present case shows that the Applicants and the Opponents both retail the relevant goods in Class 18 and Class 25 to their customers, I find that the goods in question are similar.

85 As an observation, I should add that, apart from bare assertions in their respective statutory declarations, neither party put forward any evidence from the trade as to the uses, users or trade channels for the relevant Class 18 and Class 25 goods. However, it appears that such evidence was also not adduced in the cases which I have discussed under this sub-heading, namely, *Itochu*, *Festina*, *QS* and *Asos*, nor in the seminal decision in *Staywell* (in relation to services in Classes 35 and 43). It may well be that, for such goods, the trier of fact would be able to make a decision on this issue from his own personal knowledge in his position as an average consumer of the goods in question. Yet, interestingly, even in cases involving goods which presumably are not familiar to the layperson, such as goods in Class 12 (automobile apparatus and equipment, automobile mechanisms, engines automobile bodies, sections, devices including safety and anti-theft devices, automobile componentry segments, parts fittings and accessories for automobiles) and Class 4 (fuels and lubricants), no evidence of uses, users or trade channels was considered when the Principal Assistant Registrar and the High Court judge assessed goods-similarity in *Mobil Petroleum v Hyundai Mobis* [2008] 4 SLR(R) 427 at [25]; *Hyundai Mobis v Mobil Petroleum* [2007] SGIPOS 12 at [44]-[48]). For the avoidance of doubt, I am not suggesting that it is necessary to adduce evidence from the trade on the issue of similarity of goods/services. It would, however, be helpful if parties could address this issue in their submissions in future cases.

Whether there is a likelihood of confusion

86 The position in Singapore has been restated and set out in detail in *Staywell* (at [44]-[118]). For present purposes, it is sufficient to reproduce some of the paragraphs in the judgment which are relevant to opposition proceedings:

“55 Under our law, the two threshold requirements for successfully opposing a proposed registration, or establishing liability for infringement, are similarity or identity of the marks and similarity and identity of the services. Once these threshold criteria have been met, the issue of **the likelihood of confusion** arises and this in our view **directs the court to look at (a) how similar the marks are; (b) how similar the services are; and (c) given this, how likely the relevant segment of the public will be confused.** In *Hai Tong* we said ([18] *supra* at [85(c)]):

Having regard to the express terms of s 27(2), there are three specific elements that plainly must be considered. These are: (i) the similarity between the registered mark and the allegedly infringing mark; (ii) the similarity or identity between the goods or services in relation to which the marks are used; and (iii) the relevant segment of the public in relation to whom the court must consider the likelihood of confusion. Each of these elements can vary. The marks may be identical or similar, and if the latter, they can vary in their degree of similarity. In the same way, the goods or services in relation to which the marks are used may be identical or similar, and again, if the latter, they may vary in the degree or extent to which they are similar. ... And as to the relevant segment of the public, there may be characteristics that are particular to the group in question. Each of these factors will have a bearing on the likelihood of confusion. As an illustrative proposition, the likelihood of confusion must be greater where, say, the contesting marks are similar to a high degree, the goods are identical in nature and the segment of the public in question is undistinguished in its attention than would be the case if the marks and the goods are somewhat similar but not exceedingly so, and the relevant segment of the public happens to be highly knowledgeable and very fastidious. ...

“60 ... **in opposition proceedings the inquiry must take into account** the full range of the competing monopoly rights that are already enjoyed on the one hand, namely **the actual and notional fair uses to which the incumbent proprietor has or might fairly put his registered trade mark, and compare this against the full range of such rights sought by the applicant by reference to any actual use by the applicant (assuming there has been prior use) as well as notional fair uses to which**

the applicant may put his mark should registration be granted. This is the setting in which the question of whether there is a likelihood of confusion is assessed.

“63 A related issue... is whether the court should, in assessing the likelihood of confusion, consider factors which are external to the similarity between the competing marks and the similarity between the competing goods or services. We have previously referred to such factors as "extraneous factors" (see *Polo (CA)* ([8] *supra*) at [32] and *Sarika* ([18] *supra*) at [60]) because they are extraneous or, perhaps, more accurately external to the marks and the services in question.....

“69 We agree that it is permissible at the confusion-stage of the inquiry to have regard to the importance to be attached to the different elements of similarity taking into account the type of the goods and services in question and how purchases of such goods and services are typically made.....

“83 **extraneous factors may be considered to the extent that they inform the court as to how the similarity of marks and goods will likely affect the consumer's perception as to the source of the goods.** This, however, is subject to some important qualifications which we will now elaborate upon.

“84 First, **in opposition proceedings, it will generally not be relevant to consider extraneous factors that relate to the actual and particular circumstances and ways in which the mark was used on the goods in question.** While it will be necessary to consider the notional or fair uses to which each of the marks could be put, for instance in terms of what types of goods or services are within the contemplated uses for which the mark has been registered, it will not be relevant to have regard to the particular way in which the goods or services have been affixed with the mark and are then being marketed. This would thus exclude consideration of such factors as differences in the intended market segments, trading strategies employed, websites used or the trader's chosen limitations as to his use of the mark. **In opposition proceedings, it is the overlap between the notional fair uses of the registered mark on the one hand, and of the applicant mark on the other, that is in issue.** It would denude of significance the critical distinction that we have drawn between infringement and opposition proceedings if the confusion inquiry were diverted into a consideration rooted in the details of the actual circumstances in which the goods or services affixed with the mark are being marketed.

“95 Although the risk of origin-based confusion is the primary interest sought to be protected by trade mark law, there must be a limit to the range of external factors that may be taken into account to determine whether a sufficient likelihood of such confusion exists. **The permissible factors are those which (a) are intrinsic to the**

very nature of the goods and/or (b) affect the impact that the similarity of marks and goods has on the consumer. The impermissible factors are those differences between the competing marks and goods which are created by a trader's differentiating steps. In other words, factors which are not inherent in the goods, but are susceptible to changes that can be made by a trader from time to time, should not be permissible considerations. In particular, we are satisfied that it is unnecessary, unworkable and impermissible for the court to have regard to such issues as pricing differentials, packaging and other superficial marketing choices which could possibly be made by the trader. In contrast, extraneous factors that relate to the *purchasing practices* and *degree of care* paid by the consumer when acquiring goods of the sort in question, can be considered and assessed without descending into the details of particular differentiating steps which the trader might choose to take in relation to the goods and services falling within the specification.

“96 Based on these considerations, the following represents a non-exhaustive list of factors which we regard as admissible in the confusion inquiry:

(a) **Factors relating to the impact of marks-similarity on consumer perception: the degree of similarity of the marks themselves (see *Hai Tong* ([18] *supra*) at [85(c)(iii)], the reputation of the marks (see *Polo (CA)* ([8] *supra*) at [34]), the impression given by the marks (see *Polo (CA)* at [28]), and the possibility of imperfect recollection of the marks would all be relevant. Clearly, the greater the similarity between the marks, the greater the likelihood of confusion.** As to the reputation of the mark, *Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 ("*Mobil*") at [74] makes it clear that a strong reputation does not necessarily equate to a higher likelihood of confusion, and could in fact have the contrary effect as in *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 (see at [64]).

(b) **Factors relating to the impact of goods-similarity on consumer perception: it would be legitimate to take into account factors concerning the very nature of the goods without implicating any steps that are taken by the trader to differentiate the goods. This includes the normal way in or the circumstances under which consumers would purchase goods of that type (see [20] above, *Mystery Drinks* at [48], *Lloyd* ([23] *supra*) at 1352; and *Phillips-Van Heusen Corp v OHIM* ([20] *supra*) at [55]).** This factor is not directly dependent on the marketing choices that the trader makes. As alluded to at [94] above, it would also be relevant to have regard to **whether the products are expensive or inexpensive items, the nature of the goods and whether they**

would tend to command a greater or lesser degree of fastidiousness and attention on the part of prospective purchasers (see generally *Hai Tong* at [85(c)(i)]), and the likely characteristics of the relevant consumers and whether they would or would not tend to apply care or have specialist knowledge in making the purchase. We refer here to *In the matter of an Application by the Pianotist Company Limited for the Registration of a Trade Mark* (1906) 23 RPC 774 where it was observed that, having regard to the nature of the article in question (musical instruments), the (high) price at which it was likely to be sold, and the nature of the consumers who are likely to purchase such products ("generally persons of some education"), a man of ordinary intelligence was unlikely to be confused (at 778). The price of the type of product being sold is distinct from the issue of price disparity between the parties' products. The former consideration directly impinges on the degree of care the consumer is likely to pay to his purchase and therefore his ability to detect subtle differences. As observed in *Reed Executive plc v Reed Business Information Ltd* [2003] RPC 12 at [103], "a 50 pence purchase in the station kiosk will involve different considerations from a once-in-a-lifetime expenditure of 50,000 pounds". On the other hand, superficial price disparity between the competing goods, which speak more about the trader's marketing choices rather than differences in the nature of the goods themselves, is not a factor we find relevant to the inquiry."

(emphasis added)

87 In the current case, I find that there is a likelihood of confusion taking into account:

- a. the high degree of similarity of the marks in question ( compared with ) (see [62]-[73] above);
- b. the likelihood of imperfect recollection of the marks;
- c. the similarity in the respective goods of interest (see [74]-[85] above);
- d. the fact that both parties actually do apply their respective marks to the relevant goods in Classes 18 and 25;
- e. the fact that the goods in question could notionally be sold at a low price (in any event, I note that both parties sell their respective goods at relatively low, or arguably mid-range, prices); and
- f. the probability that consumers will take some care but not an undue degree of care when purchasing the goods in question.

Conclusion on Section 8(2)(b)

88 In the circumstances, the ground of opposition under Section 8(2)(b) succeeds.

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

89 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;

(ii) if the earlier 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.

(emphasis added)

90 The thresholds to establish that a mark is “well known in Singapore” and that a mark is “well known to the public at large in Singapore” are very different: see the landmark decision of the Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd and Another* [2009] 3 SLR(R) 216 (“*Amanresorts*”) at [133]-[234]. Specifically, if a party can establish that its mark is well known to the “relevant sector of the public”, as a result of the deeming provision in Section 2(8) of the Act, the mark will be regarded as being “well known in Singapore.” In contrast, the protection conferred on marks which are “well known to the public at large in Singapore” should be “*the preserve of a rare and privileged few*” (*Amanresorts* at [229]). The Court of Appeal elaborated in *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [94] that to come within the definition of being well known to the public at large in Singapore, the mark “*must necessarily enjoy a much higher degree of recognition*” such that it must be “*recognized by most sectors of the public*” although the Court of Appeal would not go so far as to say “*all sectors of the public.*”

91 In the present case, however, I am dealing with these grounds together as the Opponents have elided these grounds (**Opponents’ Written Submissions** at [81]-[98]). In particular, the Opponents take the position that the “relevant sector of the public” in the present case is in fact “the public at large” (**Opponents’ Written Submissions** at [86(b)(x)], pg 61).

92 Without going through the minutiae of the evidence (but see generally [18]-[29] above), it appears that the Opponents' mark could arguably be said to be well-known to motocross enthusiasts (at least in the US), and that goods (mainly clothing in Class 25, but some goods such as bags in Class 18 as well) bearing their marks are sold in Singapore through speciality retail outlets and websites targeting this segment of the public. It may well be that the Opponents could establish that their mark is well-known to this sector of the public in Singapore. However, it is unnecessary to decide this point in view of the position taken by the Opponents that their "relevant sector of the public" is in fact "the public at large." It would also be inappropriate to do so given the adversarial nature of opposition proceedings.

93 As I find that the Opponents are unable to meet the high threshold to establish that their mark is "well known to the public at large in Singapore" (see [90] above), it is unnecessary to consider the other elements which need to be shown for an opposition under Section 8(4)(b)(i) and 8(4)(b)(ii). It follows that these grounds of opposition fail.

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

94 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

95 Parties are in agreement that to succeed in an action for passing off, a claimant (in this case, the Opponents) must establish the three elements of goodwill, misrepresentation and damage. I will examine each of these elements in turn.

Goodwill

96 The oft-cited description of goodwill in *The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 (at 223-224) was regarded by our Court of Appeal in *Amanresorts* (at [39]) as "*the clearest exposition of what goodwill is*":

"What is goodwill? It is a thing very easy to describe, very difficult to define. It is the benefit and advantage of the good name, reputation, and connection of a business. It is the attractive force which brings in custom. It is the one thing which distinguishes an old-established business from a new business at its first start. The goodwill of a business must emanate from a particular centre or source. However widely extended or diffused its influence may be, goodwill is worth nothing unless it has a power of attraction sufficient to bring customers home to the source from which it emanates."

97 It is not in dispute that the relevant date at which goodwill is to be assessed is the application date of the Application Mark (i.e. 30 March 2005).

98 As a preliminary point, I note the Applicants' argument that the Opponents have "*no goodwill in Singapore for goods in Class 18.*" I also note that the Applicants accept that the Opponents have sold goods in other classes (i.e clothing in Class 25, bike and motor cycle accessories in Class 9 and stickers in Class 16) bearing the relevant marks. (**Applicants' Written Submissions** at [10.9] & [10.6], and also [10.3]-[10.8] generally.) The Opponents did not address this argument in their written or oral submissions.

99 Intuitively, it does not seem appropriate to segment the goodwill in a business into different categories according to the classes of goods for which a trade mark can be registered. This also appears to be inconsistent with the position that "[t]here is no rule that the defendant must operate in the same field of activity as the claimant": see *Kerly's* at [18-106]. Instead, it appears that any alleged different fields of activity should be addressed when we consider the second element of misrepresentation.

100 However, on the facts of the case (as discussed in the next paragraph), it is not necessary for me to address this argument. It is also not appropriate to express any view on this issue in the absence of submissions by the parties.

101 In the present case, the Opponents have conducted their business in Singapore since 1996. In the five years preceding the application date, their annual sales have ranged from \$186,527.32 (in 2001) to \$383,606.12 (in 2003) (see [27] above). The Opponents have not provided a breakdown as to how much of these sales are in relation to goods in Class 18. However, I have no doubt that the sales did include Class 18 goods such as bags, wallets and belts since, among other things, their product catalogues depict these goods and sample invoices reflect the sales of these goods (see, for example, **Opponents' 2nd SD** at pg 43, 46, 49-50, 53, 56, 59, 62-63, 68, 74-76, 79-80, 84, 88-89, etc).

102 Accordingly, I find that the Opponents enjoy goodwill in Singapore as at 30 March 2005.

Misrepresentation

103 I have earlier found that there is a likelihood of confusion under Section 8(2)(b) of the Act between the Application Mark and the Opponents'  mark in Class 25 (see [62]-[87] above). It does not follow that there will consequently also always be misrepresentation in such circumstances.

104 In this regard, the Court of Appeal in *Hai Tong* (at [109]-[110]) has clarified the differences between the tort of passing off and a claim for trade mark infringement. The Court of Appeal stated at [110]:

"Moreover, even **in relation to the element of misrepresentation**, it has been observed in *Kellogg Co v Pacific Food Products Sdn Bhd* [1998] 3 SLR(R) 904 ("*Kellogg*") that at least in relation to the corresponding provision of the 1992 TMA,

the test in the tort of passing off is probably a more demanding one than the corresponding inquiry in a trade mark infringement action (see *Kellogg* at [32]). In the former, it is necessary to show that the defendant's actions amount to a misrepresentation that is likely to deceive the relevant segment of the public, whereas in a trade mark infringement action, the question is whether, because of the similarities between the registered mark and the allegedly infringing mark and between the goods or services on which these marks are applied, there is likely to be confusion. Moreover, as observed in *Polo (HC)* ([79] *supra*) at [23] and endorsed by this court in *Polo (CA)* ([16] *supra*) at [33], **in an action in passing off, the likelihood of deception is to be assessed having regard to all the circumstances,** whereas in a trade mark infringement action under s 27(2)(b) of the Act, the likelihood of confusion must stem from the similarity between the contesting marks and the similarity between the goods or services to which they are applied. Lastly, whereas passing off is concerned with protecting the plaintiff's goodwill in his business, the action for infringement is geared towards protecting the trade mark owner's proprietary rights in respect of his trade mark..."

(emphasis added)

105 In the present case, a couple of factors in the Opponents' favour is that they have actually used the relevant marks on Class 18 goods, and that both parties retail the same type of goods in Classes 18 and 25 (see [83] and [84] above). However, there are many more factors that are arrayed against the Opponents. In particular, I note that:

- (a) The Applicants (and their predecessors) have also established their own business since at least 2000 (and presumably from as far back as 1981) (see [12] and [16] above);
- (b) Although the mark they use is the Applicants' Fox Head Device () (among others), this is clearly a key element of the Application Mark ();
- (c) The Opponents apply both their  as well as their  marks on their products (see, for example, the sample purchase made by their investigators (**Investigator's SD**, Exhibit B) and the products depicted in the Opponents' product catalogues (e.g. **Opponents' 2nd SD** at pg 43 and 46);
- (d) There is no doubt that the Applicants'  and the Opponents'  are very similar;
- (e) Despite the above matters, the Applicants and the Opponents have co-existed in Singapore since the Opponents commenced business in Singapore in 1996 to the present date; and
- (f) Despite this long period of co-existence, the Opponents have not furnished a single instance of actual confusion.

106 It could well be argued that it is instead the Opponents who are passing themselves off as the Applicants. For reasons best known to themselves, neither party is advancing any argument along these lines, and I do not have sufficient facts before me to make a decision one way or the other. In any case, it is not necessary to reach any decision on this issue in the context of the current opposition proceedings. Indeed, it is not possible to do so in the absence of relevant evidence and submissions.

107 Taking into account all the relevant circumstances, and bearing in mind that the burden of proof falls on the Opponents, I find that the Opponents have not established that there would be misrepresentation in the present case.

Damage

108 As the Opponents have not established misrepresentation, the element of damage cannot be made out.

Conclusion

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

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

110 Section 8(7)(b) 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 —

...

(b) by virtue of an earlier right other than those referred to in subsections (1), (2) and (3) or paragraph (a), in particular **by virtue of the law of copyright** or any law with regard to the protection of designs.

(emphasis added)

111 In order to succeed on this ground, the Opponents must establish, among other things, that copyright subsists in the copyright work or works which the Opponents are relying on. One condition for copyright to subsist is that the work in question must be “original”: see Section 27(2) of the Copyright Act (Cap 63, 2006 Rev Ed) (“*Copyright Act*”).

112 Chao J (as he then was) in *Auvi Pte Ltd v Seah Siew Tee and another* [1991] 2 SLR(R) 786 (“*Re AUVI*”) provided for the test for originality as follows at [32]:

“...The law on this [originality] is clear. Originality in this regard does not mean novelty or uniqueness; nor does it necessarily involve inventiveness. All that needs to be shown is that the author created it and has not copied it from another, and that he has expended towards its creation a substantial amount of skill or labour. What will be

the exact amount of skill, labour or judgment required cannot be defined in precise terms...”

113 In *Re AUVI*, this was satisfied through the evidence of an artist, one Chua Tang Nam, who “said that he was a member of a team of three persons who were delegated the task of creating a logo for the applicants...[and] that the AUVI logo was the result of the original creative work and labour of the members of the team under the supervision of John Lee” (at [34] of the judgment).

114 In the present case, the Opponents have not adduced any evidence as to the creation of the copyright works in question. Instead, they simply rely on two copyright certificates from the Canadian Intellectual Property Office and an undated Copyright Notice accepted by the New Zealand Customs Service (see [26] above for details).

115 They submit that the case of *Team Lotus* gives the Registrar the discretion to accept an Opponents’ claim to prior rights by virtue of copyright, even in the absence of supporting evidence of the opponents. The Opponents further argue that they have a stronger case than the opponents in *Team Lotus* since evidence, in the form of two copyright certificates, were adduced whereas the Hearing Officer in *Team Lotus* accepted the opponents’ claim in that case despite the opponents not adducing any evidence at all in support of their copyright claim (**Opponents’ Written Submissions** at [125]).

116 The Opponents also argue that the Registrar in *PT Lea Sanent v Levis Strauss & Co* [2006] SGIPOS 6 (“*Lea Sanent*”) “was satisfied that the earlier right existed based on the opponent’s reliance on the copyright inherent in the opponent’s marks as the earlier right, as stated by way of statutory declaration” (**Opponents’ Written Submissions** at [127]).

117 I am unable to accept the Opponents’ submissions, and find that both the cases cited by them do not support their proposition. In *Lea Sanent* (at [16] and [18]), it is unclear what was stated by the opponents in their statutory declaration or produced at the hearing. In *Team Lotus* (at pg 673), I note that the Principal Hearing Officer in fact stated:

“Under normal circumstances, I would expect to see evidence supporting the assertion by the opponent that they have copyright for these marks. However, in the exceptional circumstances of this case, in particular the lack of any denials by the applicants, I think I am entitled to accept the opponents’ claim.”

118 In neither of the cases relied upon by the Opponents was it sought to establish copyright subsistence by way of copyright certificates. Further, the Applicants strenuously dispute the Opponents’ claims. The Applicants’ submit that the Opponents have not proven that copyright subsists in the works in question and highlight that there is no evidence on authorship, date of creation and place of publication (**Applicants’ Written Submissions** at [13.4]).

119 Under Singapore law, there is no mechanism to “register” copyright. The Opponents have not adduced any evidence as to the effect or implications of the New Zealand Customs Service accepting a copyright notice or of copyright registration in Canada. For example, is the purpose of a copyright notice in these countries to establish subsistence of copyright and/or ownership of copyright? Is it to give notice to the public of the existence of a claim to copyright? Is registration a pre-condition to commencing a claim for copyright infringement and/or to claim damages for infringement? Do the relevant authorities carry out any form of examination to verify an applicant’s claims or are such claims accepted at face value? What is the evidential effect of such certificates? In the absence of evidence addressing any of these questions, I am not prepared to accept the Opponents’ copyright claim simply based on the documents adduced.

120 Furthermore, for one of the Canadian certificates, there is no depiction of the artistic work for which the copyright certificate is granted. (I also note that both the Canadian copyright certificates reflect the copyright owner as “Fox Head, Inc”. In the current opposition proceedings, the Opponents have not explained their relationship with Fox Head, Inc. However, for some of the Opponents’ trade mark registrations, documents filed with the Singapore Trade Marks Registry indicate that this is just a change of name.)

121 Significantly, the New Zealand document is undated, while the Canadian documents reflect the dates of first publication of the works in question (i.e.  and ) as 19 April 2006 and 30 September 1994 respectively. Both these dates are after the registration of the  mark by Fox Clothing Company on 11 August 1981; this mark was ultimately assigned to the Applicants (see [12] above). The device of a fox head in the Application Mark () clearly resembles this mark, which is owned by the Applicants, more closely than the later copyright works which the Opponents rely on in support of this ground of opposition. I note that the Opponents also claim to have used an identical/almost identical  mark since 14 February 1976 (see [22], item 2 above). However, the Opponents are not relying on the copyright in this mark under this ground of opposition, and have not furnished any evidence whatsoever as to subsistence of copyright in this mark.

122 As the Opponents are unable to establish copyright subsistence in the works they are relying on, it is not necessary to examine the other elements of Section 8(7)(b) of the Act, such as whether the copyright works in question have been copied by the Applicants.

123 The ground of opposition under Section 8(7)(b) therefore fails.

Conclusion

124 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition succeeds under Section 8(2)(b) but fails on all

the other grounds relied on by the Opponents. Accordingly, the Application Mark shall be refused registration. The Opponents are entitled to 50% of their costs to be taxed, if not agreed.

Dated this 21st day of October 2014.

Mark Lim Fung Chian
Principal Assistant Registrar of Trade Marks
Hearings and Mediation Group
Intellectual Property Office of Singapore