

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

Trade Mark Application No. T0912371A
27 January 2014

IN THE MATTER OF A TRADE MARK APPLICATION BY

LIWAYWAY MARKETING CORPORATION

AND

OPPOSITION THERETO BY

SOCIETE DES PRODUITS NESTLE S.A.

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

Ms Winnie Tham and Ms Anna Toh (Amica Law LLC) for the Applicants

Ms Gooi Chi Duan (Donaldson & Burkinshaw LLP) for the Opponents

Cur Adv Vult

GROUND OF DECISION

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

TM No.	T0912371A
Application Date	28 October 2009
Mark	
Classes and Goods	<p>Class 29: Preserved, dried and cooked fruits and vegetables; jellies, jams; eggs; milk and other dairy products; edible oils, fats; preserves, pickles; meat, fish, poultry and game; meat extracts.</p> <p>Class 30: Coffee, tea, cocoa, sugar, rice, tapioca, sago, coffee substitutes; flour, and preparations made from cereals, bread, biscuits, cakes, pastry and confectionery, ices; honey, treacle; yeast, baking-powder; salt, mustard; pepper, vinegar, sauces; spices; ice.</p>

2 The Applicants are Liwayway Marketing Corporation (“the Applicants”) and the Opponents are Société des Produits Nestlé S.A. (“the Opponents”).

3 The Application Mark was accepted and published on 20 November 2009 for opposition purposes. The Opponents opposed this application on 19 March 2010. The Applicants filed their Counter-Statement on 16 July 2010.

4 The Opponents filed evidence in support of the opposition on 16 March 2011. The Applicants filed evidence in support of the application on 12 September 2011. The Opponents elected not to file any evidence in reply in their letter dated 13 March 2012. A Case Management Conference was held on 16 May 2012 and based on the parties' representations, they were given more time to reach settlement. When parties did not make progress in their settlement negotiations, the opposition was fixed to be heard on 27 February 2013. At a Further Case Management Conference on 20 February 2013, the Applicants sought and were granted leave to file further evidence comprising internet printouts of documents referred to in the main body of their evidence filed on 12 September 2011. At the same Further Case Management Conference, further to representations made, the parties were given more time to reach settlement. Eventually, the parties were not able to settle their dispute amicably and the Applicants filed their further evidence on 28 August 2013. Beyond the specific matter for which leave was granted, this further evidence included sample copies of packing lists and bills of lading, to which the Opponents did not object. Upon the Applicants' confirmation on 29 October 2013 that they would not be filing new written submissions before the hearing, this matter proceeded to an opposition hearing on 27 January 2014.

Grounds of Opposition

5 The Opponents rely on Sections 8(2)(b) and 8(7)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”) in their opposition.

Opponents' Evidence

6 The Opponents' evidence comprises a Statutory Declaration made by Mohd. Shah Bin Hashim, Executive Director, Legal & Secretarial of Nestlé Products Sdn. Bhd., on 16 March 2011 in Kuala Lumpur, Malaysia. He has been authorised by the Opponents to make his declaration on their behalf.

Applicants' Evidence

7 The Applicants' evidence comprises a Statutory Declaration made by Salvador C. Aguilar, Senior Vice President of the Applicants, on 7 September 2011 in the Philippines, as well as a Supplementary Statutory Declaration made by Oszen A. Chan, President of the Applicants, on 23 August 2013 in the Philippines.

Applicable Law and Burden of Proof

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

Background

9 The Applicants are a snack food company in the Philippines, which originated as a small family business in 1946. From a focus on repacking flour and coffee products in the early days, the business was corporatized and diversified into the manufacturing of snack foods. This proved to be such a successful venture that the Applicants eventually concentrated on this enterprise. Their snacks include potato crisps and chips, peanut crackers, pop corn, cookies and so on.

10 The Application Mark was first launched in the Philippines in November 2008. Products bearing the Application Mark are exported to a number of countries around the world. The Applicants assert that this includes Singapore, though the evidence does not disclose when this first took place.

11 The Applicants have exhibited copies of packing lists, bills of lading and printouts from a distributor's website advertising the Applicants' goods retailed in Singapore. The packing lists and bills of lading all indicate one importer in Singapore, namely Oriental Pearl Goods & Services Pte Ltd. The printouts from Radha Exports Pte Ltd's website at www.radhaexports.com show various foodstuffs of various brands available. These include the Applicants' Marty's crackers, Lay's Stax potato chips, Mamee monster noodle snack; and others. A list of locations throughout Singapore is also given at www.radhaexports.com. These locations are many, and include localities such as Ang Mo Kio, Serangoon, Jurong and Woodlands.

12 The Applicants also claim to have an internet presence in Singapore, through their Facebook page at www.facebook.com/LiwaywayMarketingCorporation and their corporate website at www.oishi.com.ph. Both sites contain advertising and promotional information of their products, some of which bear the Application Mark.

13 The annual sales figures (including export) and annual advertising figures in relation to goods bearing the Application Mark are given as follows. It is noted that they are not specific to Singapore.

Year	Annual Sales (Including Export) (S\$)	Annual Advertising Expenditure (S\$)
2008	95,342.47	-
2009	6,506,032.70	65,517.22
2010	24,736,313.40	757,720.94

14 The Applicants have registered the Application Mark in the Philippines, Myanmar, Lao People's Democratic Republic, United Arab Emirates, Cambodia and Taiwan.

15 The Application Mark is consistently used in connection with the Applicants' house mark "Oishi". Two samples of such use can be seen from the product packaging below, as adduced in evidence:



16 The Opponents rely on the following earlier trade marks (collectively referred to hereafter as "the Opponents' SMARTIES marks"):

TM No.	Registration Date	Mark	Classes and Goods
T5113985Z	12 July 1951	SMARTIES	Class 30: Chocolate confectionery
T9803132Z	3 April 1998		Class 30: Cocoa, preparations made of cocoa, chocolates, chocolate products, confectionery products, sugar, sweets, candies, desserts, bakery products, cookies, cakes, pastry, ice cream, water ices, frozen confections, preparations for making

			ice cream and/or water ices and/or frozen confections.
T0808179I (IR No. 964348)	2 April 2008		Class 5: Medicated confectionery
			Class 29: Vegetables, fruit, meat, poultry, game, fish and seafood, all these products also in the form of extracts, soups, jellies, spreads, preserves, cooked, deep-frozen or dehydrated dishes; jams; eggs; milk, cheeses and other preparations made with milk, milk product substitutes; soya milk and other preparations made with soya; edible oils and fats; protein preparations for food.
			Class 30: Coffee, coffee extracts and preparations made with coffee; artificial coffee and artificial coffee extracts; tea, tea extracts and preparations made with tea; cocoa and preparations made with cocoa, chocolate, chocolate products, confectionery, sweetmeats; sugar, sweets; natural sweeteners; chewing gums, bakery goods, bread, yeast, pastry articles; biscuits, cakes, waffles, desserts, puddings; food products included in this class for the preparation of desserts and puddings; edible ices, iced confectionery, products for preparing edible ices and/or iced confectionery; honey and honey substitutes; breakfast cereals, rice, pasta, foodstuffs made with rice, flour or cereals, also in the form of cooked dishes; sauces; products for flavouring or seasoning foodstuffs, dressings for salads, mayonnaise.
			Class 32: Beers; mineral water and other non-alcoholic beverages, syrups, extracts

			and essences for making non-alcoholic beverages, fruit juices, cocoa-based beverages.
T0420818B	27 May 2004		Class 29: Vegetables and potatoes (preserved, dried or cooked), fruits (preserved, dried or cooked), mushrooms (preserved, dried or cooked), meat, poultry, game, fish and seafood products, all these products in the form of extracts, soups, jellies, spreads, preserves, cooked, deep-frozen or dehydrated dishes; jams; eggs; milk, cream, butter, cheese and other food preparations made with milk; milk substitutes; beverages made with milk; desserts made with milk and desserts made with cream; yoghurts; soybean milk (milk substitutes), preserved soya beans for human consumption; edible oils and fats; protein preparations for human consumption; whiteners for coffee and/or for tea (cream substitutes); sausages; charcuterie, peanut butter; soups, concentrated soups, thick soups, stock cubes, bouillons, consommés.
T0420819J	27 May 2004		Class 30: Coffee, coffee extracts, preparations and beverages made with coffee; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; chicory; tea, tea extracts, preparations and beverages made with tea; ice tea; preparations made with malt for human consumption; preparations and beverages made with cocoa; chocolate, chocolate products, preparations and beverages made with chocolate; confectionery, sugar confectionery sweets; sugar; non-medical chewing gum; natural sweeteners; bakery goods, bread, yeast, pastries; biscuits, cakes, cookies, wafers, caramels, desserts included in this class, puddings;

			edible ice-creams, water ices, sherbets, iced confectionery, frozen cakes, ice-creams, ice desserts, iced yoghurts, powders and binders (included in this class) for making edible ice-creams and/or water ices and/or sherbets and/or iced confectionery and/or frozen cakes and/or ice-creams and/or ice desserts and/or iced yoghurts; honey and honey substitutes; breakfasts cereals, muesli, corn flakes, cereal bars, ready-to-eat cereals; cereal preparations; rice, pasta, noodles; foodstuffs made with rice, flour or cereals, also in the form of cooked dishes; pizzas; sandwiches; oven-ready preparations of farinaceous paste and cake pastry; sauces, soya sauce; ketchup; products for flavouring or seasoning foodstuffs; edible spices, condiments, salad creams and dressings, mayonnaise; mustard; vinegar.
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17 The Opponents claim that the mark "SMARTIES" was first used in 1937 by H.I. Rowntree & Company (later known as Rowntree P.L.C.). The Opponents acquired Rowntree P.L.C. in 1988. The Opponents claim that goods bearing the Opponents' Marks have been sold in Singapore since before the 1970's. However, this claim is not evidenced before me.

18 The Opponents claim that goods bearing the Opponents' SMARTIES marks are sold in Singapore through Nestlé Singapore (Pte) Ltd and other authorised distributors. Such goods are sold at various places e.g. supermarkets, provision stores, convenience stores (including at 7-Eleven outlets). The Opponents also exhibit print-outs from websites such as www.nestle.com.sg, www.thecocoatrees.com, <http://en.wikipedia.org/wiki/Smarties> and so on. These websites refer to the Opponents' goods, essentially chocolates, in relation to the SMARTIES marks.

19 The annual sales in Singapore of goods bearing the Opponents' SMARTIES marks for 2004 to 2009 are as follows:

Year	Annual Sales (S\$)
2004	655,533
2005	518,579
2006	509,707
2007	285,889

2008	249,834
2009	342,234

MAIN DECISION

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

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

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.

Decision on Section 8(2)(b)

Step-by-step Approach

21 Since its articulation by the Court of Appeal in *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR(R) 690, the three-step test has been firmly entrenched in Singapore jurisprudence as the relevant test under Section 8(2)(b). The Court of Appeal, in the recent decision of *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 ("*Staywell*"), reiterated at [15] as follows:

... It is clear from the plain words of ss 8 as well as 27 of the Act that the only relevant type of confusion for the purpose of grounding an opposition or an infringement action, is that which is *brought about by* the similarity between the competing marks and between the goods and services in relation to which the marks are used. Since this court's decision in *Polo (CA)*, our courts have given effect to this statutory wording by applying what is now known as the "step-by-step" approach, as opposed to the competing "global appreciation approach" applied in Europe after *Sabel BV v Puma AG, Rudolf Dassler Sport* [1998] RPC 199 ("*Sabel v Puma*"). Under the step-by-step approach, the three requirements of similarity of marks, similarity of goods or services, and likelihood of confusion arising from the two similarities, are assessed systematically. The first two elements are assessed individually before the final element which is assessed in the round. Under the global appreciation approach the elements of similarity between marks and goods or services, whilst still necessary ingredients in the confusion inquiry, are elided with other factors going towards the ultimate question of whether there is a likelihood of confusion (see *Sabel v Puma* at 223–224, and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 ("*Canon*") at 132). Whilst there have been suggestions that the two approaches might be distinct without being different, we maintain this dichotomy and endorse the step-by-step approach as being conceptually neater and more systematic and, importantly, as being

more aligned with the requirements imposed under our statute (see *Polo (CA)* at [8]).

22 To succeed under Section 8(2)(b), the Opponents have to prove three elements, namely that the marks are similar; the goods are identical or similar; and, because of the foregoing, there is a likelihood of confusion on the part of the public. I turn now to each element in turn.

Similarity of Marks: Principles

23 The Court of Appeal in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") at [16] (affirmed by the Court of Appeal in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 ("*Hai Tong*") at [39]) held that:

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

24 In addition to the passage above, the Court of Appeal in *Hai Tong* held at [40(b)] that in assessing similarity between two contesting marks, the court considers them as a whole but does not take into account any external added matter or circumstances because the comparison is mark for mark. This inquiry should be undertaken from the perspective of the average consumer who would exercise some care and a measure of good sense in making his or her purchases, and it is assumed that the average consumer has "imperfect recollection", such that the contesting marks are not compared side by side and examined in detail for the sake of isolating particular points of difference. The court will consider the general impression likely left on the essential or dominant features of the marks (at [40(c)-(d)]).

25 This approach to a determination of similarity of marks was endorsed by the Court of Appeal in *Staywell* at [26] as follows:

When speaking of the assessment of a mark as a whole, it may be noted that the cases have consistently stated that the "visual, aural or conceptual

similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components"...

26 As regards distinctiveness, it was reiterated in *Staywell* at [30] that:

... distinctiveness (in both its technical and non-technical senses) is a factor *integrated into* the visual, aural and conceptual analysis as to whether the competing marks are similar. It is not a separate step within the marks-similarity inquiry.

27 In considering the similarity of marks, the High Court decision in *Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd* [2011] SGHC 176 ("*Ferrero*") also sets out the following principles at [50]:

(a) First, the court considers the two signs/marks "as a whole" (*Polo* at [8]; *City Chain* at [47], [50]). However, the court would not take into account "any external added matter or circumstances" because the comparison is "mark for mark" (*MediaCorp* at [33], citing *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 at [55] ("*Caterpillar*").

(b) Second, the signs/marks are considered from the viewpoint of the average consumer – *not* an unthinking person in a hurry, but rather, a person who would exercise some care and good sense in making his purchases (*Polo* at [34]).

(c) Third, when comparing the two signs/marks, what is relevant is the "imperfect recollection" of the customer (*MediaCorp* at [33], citing *Nautical Concept Pte Ltd v Jeffery Mark Richard* [2007] 1 SLR(R) 1071 at [30]). The court will not compare the two marks side by side and examine them in detail, because "the person who is confused often makes comparison from memory removed in time and space from the marks" (*MediaCorp* at [33], citing *Caterpillar* at [55]).

Similarity of Marks: Analysis

28 At the outset, it bears saying that since the comparison is "mark for mark", it is the Application Mark as filed that should be compared to the Opponents' SMARTIES marks. When determining similarity of marks, no regard should be had to how the Application Mark is in fact used on the Applicants' product packaging as shown at [15] above.

(i) *Visual Similarity*

29 The High Court in *Ferrero* sets out the approach to determining visual similarity between competing marks at [51] as follows:

In the case of word marks, a determination of visual similarity typically involves looking at the (a) length of the marks; (b) structure of the marks (*i.e.*, whether there are the same number of words); and (c) whether the same letters

are used in the marks (*Ozone Community* at [49], citing Bently & Sherman, *Intellectual Property Law* (Oxford University Press, 3rd Ed, 2009) at 865 (“Bently & Sherman”)).

30 The Opponents submit that the Application Mark is of similar length, has an identical number of syllables and shares many similar letters as the Opponents' SMARTIES marks. In relation to the Opponents' Trade Mark No. T0808179I



, the Opponents argue that there is even more similarity. This is because



the letters in the Application Mark is also white with margins.

31 On the other hand, the Applicants submit that length-wise, the Application Mark is 6-letters long but the word "SMARTIES" in the Opponents' SMARTIES marks is 8-letters long. The Application Mark omits the letters “S”, “I” and “E”, and incorporates the letter “Y” which is absent in the word “SMARTIES”. The Applicants claim that the additional letter “Y” is a significant visual difference, as none of the letters present in the word “SMARTIES” are similar to “Y” in the visual extension beyond the base line of the word.

32 The Applicants also highlight the apostrophe before the letter “S” at the end of the Application Mark. In contrast, the Opponents' SMARTIES marks have no punctuation. The Applicants argue that the visual impact of punctuation marks should not be discounted. The average English-reading consumer is accustomed to noticing punctuation marks in his ordinary visual appreciation of words. The apostrophe, in particular, marks the difference between a plural noun and a possessive noun (e.g. DOGS / DOG’S). As the average consumer would surely notice the apostrophe when looking at the Application Mark as a whole, this punctuation mark provides a visually perceptible difference from the word “SMARTIES”.

33 Further, the Applicants sought to distinguish the Application Mark from the Opponents' four stylised SMARTIES Marks (Trade Mark Nos. T9803132Z, T0808179I, T0420818B and T0420819J) in thick bubble font with rounded edges. Trade Mark Nos. T9803132Z, T0808179I depict the word “SMARTIES” against a blue rectangular background, surrounded by many colourful oval devices representing “Smarties” chocolates. The visually distinctive elements of these marks are their bright colourful designs. In stark contrast, the Application Mark is stylised in a long, thin font with square edges, with the tail of the “Y” extending across the bottom of the mark. It is not set against any background, and does not incorporate any device or any colour. The prominent multi-coloured oval devices in Trade Mark Nos. T9803132Z and T0808179I are absent from the Application Mark.

34 The Applicants also rebut the Opponents' submission that the Application Mark is similar to the Opponents' SMARTIES marks because the letters in the competing marks are white with margins. The Applicants contend that there is little distinctiveness in white letters with margins as such. Distinctiveness lies instead in the way the letters are designed. In the Application Mark the letters are long and thin with square edges, while in the Opponents' SMARTIES marks the letters are fat and rounded, resembling bubbles. The differences in the distinctive part of the stylisation

therefore offset any similarity there might be by virtue of the letters merely being white with margins.

35 I have considered the parties' submissions in light of the guidelines on visual similarity in *Ferrero*. Length-wise, as the Applicants have pointed out, the Application Mark is shorter, with 6 letters, compared to the 8-letter word "SMARTIES" in the Opponents' SMARTIES marks. Structurally, from the perspective of "*whether there are the same number of words*", the respective marks each contain one word. From another structural perspective, taking into account how each mark is composed, I find that all the visual elements, such as shapes, colours and layout, in Trade Mark Nos. T9803132Z and T0808179I combine to produce a substantial visual impact that differentiates the Application Mark from the Opponents' SMARTIES marks. Finally, the issue whether the same letters are used in the marks is to be considered. Comparing the 6-letter Application Mark and the 8-letter word "SMARTIES" in the Opponents' SMARTIES marks, there are 5 letters in common, namely "M", "A", "R", "T" and "S". Conversely, the respective marks differ from each other in 4 letters, namely "Y", "S", "I" and "E". This exercise is conducted at a high degree of granularity, but it must be borne in mind that the objective of comparing the marks for common letters is to help ascertain whether these marks can be said to be visually similar as wholes. That there are more letters in common than not does not necessarily lead to a conclusion that the marks are therefore similar. Here, the beginnings of the respective marks are different; the marks begin with very different letters "M" and "S". The representation of the letter "Y" in the Application Mark is also visually striking, contributing to a distinguishable visual impact as compared with the Opponents' SMARTIES marks. In the present case, I am persuaded by the Applicants' submissions that the Application Mark is not visually similar to the Opponents' SMARTIES marks.

(ii) *Aural Similarity*

36 A determination of aural similarity involves, as the Court of Appeal in *Sarika* opined at [28], "*a qualitative assessment of the relative number of syllables which the two marks have in common*". At [30]-[31], the court also endorsed the consideration of "*how an average Singaporean consumer would pronounce the respective words*" and the making of "*allowances for imperfect recollection and careless pronunciation and speech*".

37 In this regard, the Opponents argue that the Application Mark has an identical number of syllables, is of similar length and shares many alphabet letters in common with the Opponents' SMARTIES marks. The Opponents contend that the respective marks are almost phonetically identical, claiming that the letter "S" in the Opponents' SMARTIES marks is sometimes dropped or inaudible when pronounced and emphasis is placed on "-MARTIES", which is phonetically identical to the Application Mark.

38 The Applicants submit that the first, rather than second, syllable of the respective marks would be emphasized in natural speech. Hence, in pronunciation, "MAR-" and "SMAR-" are respectively emphasised in the Application Mark and in the Opponents' SMARTIES marks.

39 The Applicants also argue, in rebuttal to the Opponents' submission, that it is unlikely for the letter "S" in the Opponents' SMARTIES marks to be dropped or inaudible. The Applicants rely on a decision of the UK Comptroller-General in *Berentzen Distillers International GmbH v Coors Worldwide Inc* (Application No. 2298297, 17 January 2006). There, the marks in issue were "SCREAMERS" and "CREAMERS". The Comptroller-General held that "*the sibilant consonant is one which is aurally distinctive*" for the purposes of mark comparison. (However, whether the sound "S" is lost in speech would depend on what word precedes "SCREAMERS" in a given situation.) The Applicants submit that likewise, in the present case, the letter "S" in the Opponents' SMARTIES marks is an aurally distinctive sound which distinguishes the respective marks.

40 As opined by Luxmoore LJ and cited with approval by the House of Lords in *Aristoc, Ltd v Rysta, Ltd* [1945] RPC 65, 72, "*the answer to the question whether the sound of one word resembles too nearly the sound of another... must nearly always depend on first impression.*" When the respective marks here are pronounced, it does appear to me that there is significant aural overlap. Although the first – and more heavily stressed – syllables of the marks are not identical, they are similar because of the common sound "MAR" which tends to be prolonged in pronunciation. As for the endings of the marks, they are indubitably identical.

41 As a matter of "*first impression*", the Application Mark may be aurally similar to the Opponents' SMARTIES marks.

(iii) *Conceptual Similarity*

42 The Opponents have not made specific submissions on this issue, and perhaps understandably so. On the other hand, the Applicants assert that the word "MARTY" in the Application Mark is a short form of the name "Martin". The presence of "S" after the name "Marty" indicates a possessive noun; hence suggesting that the products belong to or are produced by "Marty". This meaning contrasts with the meaning of the word "SMARTY", being the singular form of the word "SMARTIES" in the Opponents' SMARTIES marks. The Applicants point out that the word "SMARTY" means "smart aleck", which in turn means "an obnoxiously conceited and self-asserted person with pretensions to smartness or cleverness".

43 I am persuaded by the Applicants' submissions above and conclude that there is no conceptual similarity between the Application Mark and the Opponents' SMARTIES marks.

(iv) *Conclusion on Similarity of Marks*

44 The recent Court of Appeal decision in *Staywell* made clear two points, among others, when concluding whether or not two marks are similar.

45 First, there is no "*particularly or notably low threshold of marks-similarity*", *Staywell* at [16]. The Court of Appeal went to some length to clarify at [17]-[18] as follows:

... The court must ultimately conclude *whether the marks, when observed in their totality, are similar rather than dissimilar*. The three aspects of similarity are meant to guide the court's inquiry but it is not helpful to convert this into a checkbox exercise in which a tick, however faint it might be, in any one box must compel the court to find that the marks are similar when a sensible appraisal of the marks as a whole would show otherwise.

... In short, the criteria of visual, aural and conceptual similarities do not invite a formulaic consideration; rather, they are signposts towards answering the question of *whether the marks are similar*...

46 Second, "*the assessment of marks similarity is mark-for-mark without consideration of any external matter*". The Court of Appeal elaborated at [20]:

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 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 types 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].

47 I therefore consider whether the respective marks, "*when observed in their totality, are similar rather than dissimilar*", noting the Court of Appeal's rejection of the suggestion that "*any modicum of similarity would compel the court to make a finding of marks-similarity*" at [19] of *Staywell*.

48 Earlier on, I have found that the respective marks were not visually nor conceptually similar but as a matter of "*first impression*" may be aurally similar. Given that "*trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry*" ([18] of *Staywell*), I venture to say that the Application Mark and the Opponents' SMARTIES marks are dissimilar rather than similar in their totality.

Identity or Similarity of Goods

49 As I have found that the Application Mark is not similar to the Opponents' SMARTIES marks, there is no necessity to proceed further in the 3-step enquiry under Section 8(2)(b) of the Act. However, in the event I am wrong in finding that there is no marks-similarity overall, I will complete the exercise accordingly.

50 The Opponents submit that the Application Mark is sought to be registered in respect of goods in Classes 29 and 30 that are identical or similar to and would encompass the goods for which the Opponents' SMARTIES marks are registered in Classes 29 and 30. These goods under Classes 29 and 30 can be found in the same

shops, supermarkets and retails outlets and are consumed by customers on a regular basis.

51 The Applicants submit that there is only overlap between "confectionery" claimed under the Application Mark and "chocolate confectionery" under the Opponents' Trade Mark No. T5113985Z. The Applicants contend that "chocolate confectionery" is dissimilar to the other goods claimed under the Application Mark such as sugar, rice, sago, flour, honey and salt.

52 In *Staywell*, the Court of Appeal took the opportunity to clarify at [40]-[41] that:

...registration in the same specification within a class establishes a prima facie case for identity ...

... Where a good or service in relation to which registration is sought falls within the ambit of the specification in which the incumbent mark is registered, the competing goods or services would be regarded as identical.

53 As a corollary, it also bears saying that when analysing the respective goods for identity or similarity, the basis for comparison is the specifications as claimed, rather than the goods on which the respective marks are actually used in the market.

54 For ease of reference, the parties' respective goods claimed are tabulated below. As the Opponents have not submitted how their goods under Classes 5 and 32 are identical or similar to the Applicants' goods under Classes 29 and 30, I will disregard the former category of goods and focus on the Opponents' goods under Classes 29 and 30 for purposes of comparison.

Applicants' Goods	<p>Class 29: Preserved, dried and cooked <u>fruits and vegetables</u>; <u>jellies</u>, <u>jams</u>; <u>eggs</u>; <u>milk</u> and other <u>dairy products</u>; <u>edible oils</u>, <u>fats</u>; <u>preserves</u>, <u>pickles</u>; <u>meat</u>, <u>fish</u>, <u>poultry and game</u>; <u>meat extracts</u>.</p> <p>Class 30: <u>Coffee</u>, <u>tea</u>, <u>cocoa</u>, <u>sugar</u>, <u>rice</u>, <u>tapioca</u>, <u>sago</u>, <u>coffee substitutes</u>; <u>flour</u>, and <u>preparations made from cereals</u>, <u>bread</u>, <u>biscuits</u>, <u>cakes</u>, <u>pastry and confectionery</u>, <u>ices</u>; <u>honey</u>, <u>treacle</u>; <u>yeast</u>, <u>baking-powder</u>; <u>salt</u>, <u>mustard</u>; <u>pepper</u>, <u>vinegar</u>, <u>saucers</u>; <u>spices</u>; <u>ice</u>.</p>
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Opponents' Goods	<p>Class 5: Medicated confectionery</p> <p>Class 29: <u>Vegetables</u>, <u>fruit</u>, <u>meat</u>, <u>poultry</u>, <u>game</u>, <u>fish</u> and seafood, all these products also in the form of <u>extracts</u>, <u>soups</u>, <u>jellies</u>, <u>spreads</u>, <u>preserves</u>, <u>cooked</u>, <u>deep-frozen</u> or <u>dehydrated dishes</u>; <u>jams</u>; <u>eggs</u>; <u>milk</u>, <u>cheeses</u> and other <u>preparations made with milk</u>, <u>milk product</u></p>
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	<p>substitutes; soya milk and other preparations made with soya; <u>edible oils and fats</u>; protein preparations for food.</p> <p>Vegetables and potatoes (preserved, dried or cooked), fruits (preserved, dried or cooked), mushrooms (preserved, dried or cooked), meat, poultry, game, fish and seafood products, all these products in the form of extracts, soups, jellies, spreads, preserves, cooked, deep-frozen or dehydrated dishes; jams; eggs; milk, cream, butter, cheese and other food preparations made with milk; milk substitutes; beverages made with milk; desserts made with milk and desserts made with cream; yoghurts; soybean milk (milk substitutes), preserved soya beans for human consumption; edible oils and fats; protein preparations for human consumption; whiteners for coffee and/or for tea (cream substitutes); sausages; charcuterie, peanut butter; soups, concentrated soups, thick soups, stock cubes, bouillons, consommés.</p>
	<p>Class 30: Chocolate confectionery</p> <p><u>Cocoa</u>, preparations made of cocoa, chocolates, chocolate products, <u>confectionery products</u>, sugar, sweets, candies, desserts, bakery products, cookies, <u>cakes</u>, pastry, ice cream, <u>water ices</u>, frozen confections, preparations for making ice cream and/or water ices and/or frozen confections.</p> <p><u>Coffee</u>, coffee extracts and preparations made with coffee; artificial coffee and artificial coffee extracts; <u>tea</u>, tea extracts and preparations made with tea; cocoa and preparations made with cocoa, chocolate, chocolate products, confectionery, sweetmeats; <u>sugar</u>, sweets; natural sweeteners; chewing gums, bakery goods, bread, <u>yeast</u>, <u>pastry articles</u>; biscuits, cakes, waffles, desserts, puddings; food products included in this class for the preparation of desserts and puddings; <u>edible ices</u>, iced confectionery, products for preparing edible ices and/or iced confectionery; <u>honey</u> and honey substitutes; breakfast cereals, <u>rice</u>, pasta, <u>foodstuffs made with</u> rice, flour or <u>cereals</u>, also in the form of cooked dishes; <u>sauces</u>; products for flavouring or seasoning foodstuffs, dressings for salads, mayonnaise.</p> <p>Coffee, coffee extracts, preparations and beverages made with coffee; iced coffee; artificial coffee, artificial coffee extracts, preparations and beverages made with artificial coffee; chicory; tea, tea extracts, preparations and beverages made with tea; ice tea; preparations made with malt for human consumption; preparations and beverages made with cocoa; chocolate, chocolate products, preparations and beverages made with chocolate; confectionery, sugar confectionery sweets; sugar; non-medical chewing gum; natural sweeteners; bakery goods, <u>bread</u>, yeast, pastries; <u>biscuits</u>, cakes, cookies, wafers, caramels, desserts included in this class, puddings; edible ice-creams, water ices, sherbets, iced confectionery, frozen cakes, ice-creams, ice</p>

	desserts, iced yoghurts, powders and binders (included in this class) for making edible ice-creams and/or water ices and/or sherbets and/or iced confectionery and/or frozen cakes and/or ice-creams and/or ice desserts and/or iced yoghurts; honey and honey substitutes; breakfasts cereals, muesli, corn flakes, cereal bars, ready-to-eat cereals; cereal preparations; rice, pasta, noodles; foodstuffs made with rice, flour or cereals, also in the form of cooked dishes; pizzas; sandwiches; oven-ready preparations of farinaceous paste and cake pastry; sauces, soya sauce; ketchup; products for flavouring or seasoning foodstuffs; <u>edible spices</u> , condiments, salad creams and dressings, mayonnaise; <u>mustard</u> ; <u>vinegar</u> .
	Class 32: Beers; mineral water and other non-alcoholic beverages, syrups, extracts and essences for making non-alcoholic beverages, fruit juices, cocoa-based beverages.

55 Upon a comparison of the respective goods claimed, I find that there is substantial identity (goods under the Application Mark which are in common with the Opponents' specifications are underlined above), for example, in the items: fruits, vegetables, jellies, jams, eggs, milk, confectionery, coffee, tea, cocoa, sugar, rice and cakes. Some of the remaining non-identical goods can also be said to be similar.

56 Accordingly, I am satisfied that the second element of identity or similarity of goods under Section 8(2)(b) is made out.

Likelihood of Confusion: Principles

57 As indicated above, I have not found marks-similarity at the first stage of the 3-step enquiry under Section 8(2)(b) of the Act. The enquiry effectively ended then. However, in the event I am wrong on the lack of marks-similarity, I continue with a consideration of the likelihood of confusion at the third stage of the enquiry following an analysis of goods-similarity at the second stage. The following assessment is based on a premise that the Application Mark is marginally more similar to the Opponents' SMARTIES marks than not.

58 The Court of Appeal decision in *Staywell* is highly important for its clarification on major points in trade marks law. As we come to this final stage of the enquiry under Section 8(2)(b), we have opportunity to apply the principles elucidated by the court.

59 At [55] of its decision in *Staywell*, the Court of Appeal restated as follows:

... 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 (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. ...

(i) *Notional Fair Use*

60 The Court of Appeal in *Staywell* clarified the approach to determining likelihood of confusion at [60] and [62]:

Accordingly 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...

... It would still be necessary to consider the wider question of whether the notional fair uses that the applicant might put the mark to could conflict with the notional fair uses to which the proprietor of the registered mark could put his mark to. As we have noted, this latter inquiry sets a higher threshold for the applicant than an inquiry that focuses only on whether the actual use is infringing, and it follows that as a practical matter, in opposition proceedings, the applicant will have to meet that higher threshold regardless of whether there has already been actual use. In essence, in such proceedings, he will be required to establish that the notional fair use of his mark would not infringe the notional fair use rights of the registered proprietor; whereas in infringement proceedings the only question is whether the actual use by the alleged infringer infringes the notional fair use rights of the registered proprietor of the mark...

61 Hence, it is pertinent to have regard to how the Applicants have used the Application Mark on their product packaging, in close proximity below the house brand "Oishi" (see [15]). However, this is but one instance of the possible normal and fair uses of the Application Mark. Another possible normal and fair use would be to use the Application Mark on its own without the sign "Oishi".

(ii) *Extraneous Factors*

62 In *Staywell*, the Court of Appeal also affirmed the relevance of extraneous factors "to the extent 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", see [83].

63 On the specific types of extraneous factors that are permissible, we have guidance from the court in the conclusion at [95]-[96] of *Staywell*:

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.

Likelihood of Confusion: Analysis

(i) Factors Relating to the Impact of Marks-Similarity on Consumer Perception

64 Having regard to the degree of similarity of the marks themselves, I have held that the marks are not similar on the whole. However, if I were wrong on this and were to accept that there is marks-similarity, I would be inclined to say that the Application Mark is only marginally more similar to the Opponents' SMARTIES marks than not. Hence, this factor in the consideration of likelihood of confusion lies in the Applicants' favour – "*Clearly, the greater the similarity between the marks, the greater the likelihood of confusion*" ([96] of *Staywell*) and conversely, the lesser the similarity between the marks, the lower the likelihood of confusion.

65 The impression given by the respective marks also differs. Apart from the conceptual dissimilarity of the verbal elements of the Application Mark and the

Opponents' SMARTIES marks, the colourful visual elements of Trade Mark Nos. T9803132Z and T0808179I also convey a markedly different impression from the Application Mark. The former marks suggest a lighthearted, almost carnival-like vibe which is absent from the Application Mark.

66 As to the reputation of the earlier marks, the Court of Appeal in *Staywell* cited with approval (at [96]) *Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 ("*Mobil*") at [74], where it was made 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]). In the present case, the Opponents' reputation derived from their "SMARTIES" chocolates may indeed have an effect contrary to a likelihood of confusion, as the "SMARTIES" brand could be sufficiently entrenched in the mind of consumers as to dispel any real possibility of confusion with the Application Mark, "MARTY'S". At this juncture it is apposite to refer to *Staywell* where the Court of Appeal considered an argument for initial interest confusion.

67 In *Staywell*, the Opponents had argued that confusion which arose initially but which would have been dispelled by the time of the purchase could amount to confusion under Section 8(2) of the Act. The Court of Appeal considered this argument and opined at [113]:

Having considered the relevant American, English and European authorities on the matter, our view is that the doctrine of initial interest confusion is directed at a different purpose than that of s 8(2) (and s 27(2)) of our Act. The rationale underlying the doctrine is very much the protection of the reputation of a well-known mark from dilution or the prevention of misappropriation of the owner's goodwill. But this court in *Mobil* ([96] *supra* at [94]) and *Amanresorts* ([105] *supra* at [229]) made clear that protection against dilution is the sole province of s 8(4)(b)(ii) of the Act, which was added to our Act for that specific purpose. The courts have repeatedly stated that the confusion element in s 8(2) is concerned with the origin and source of goods, and not simply their reputation or associative properties (see *Hai Tong* ([18] *supra*) at [72], *City Chain* at [58] and *Richemont* ([40] *supra*) at [20]). If a consumer is initially confused but this is unlikely to persist to the point of purchase because of a lack of sufficient similarity in the marks or the goods then the purpose of the trade mark as a "badge of origin" has not been undermined...

68 It was concluded at [116] of *Staywell* that "*the doctrine of initial interest confusion should not be introduced into our law because it is inconsistent with the purpose of s 8(2) of the Act which is only to protect the trade mark as an indication of origin.*"

69 Thus, in the present case, even if there were any initial interest confusion between the Application Mark and the Opponents' SMARTIES marks, such "confusion" would not be relevant in a determination of likelihood of confusion under Section 8(2)(b).

(ii) *Factors Relating to the Impact of Goods-Similarity on Consumer Perception*

70 Under this heading, it is in order to consider "*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 ... 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 ... 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*", see [96] of *Staywell*.

71 The relevant goods under consideration here are those as claimed in the specifications of the Application Mark and the Opponents' SMARTIES marks set out at [1] and [16] above. These include confectionery, including chocolate confectionery, and other foods such as fruits, vegetables, jellies, jams, eggs, milk, coffee, tea, cocoa, sugar, rice and cakes. These goods are generally available off the shelf and tend to be bought on a regular basis, such that the consumer is used to identifying the brand of his choice from an array of options on the same few shelves where the same or similar goods under competing brands are displayed.

72 It is instructive to refer to *Crown Confectionery Co Ltd v Morinaga & Co Ltd* [2008] SGIPOS 12 ("*Crown Confectionery*") at [208]-[211], where the Registrar made the following observations on the relevant goods in that opposition:

208 In the present case, the relevant goods are self-serve consumer food items displayed on the confectionery and candy shelves of provision shops, mini-marts and supermarkets. The Applicants dispute that the Opponents have adduced evidence to show that their goods are sold in close proximity to the Applicants' goods. The Opponents claim that they have, in Dan Tan's Statutory Declaration at paragraphs 7 and 8. In any case, independent of the Opponents' purported evidence, I am prepared to accept this particular circumstance of sale given that I have already found the respective goods identical or substantially similar in their nature, uses, trade channels and so on.

209 Because the goods at hand are self-serve items, the visual and conceptual aspects of the marks figure more prominently than the aural aspects at the point of selection and sale. Thus, unlike *Sumatra Tobacco*, the aural similarity of the marks is not a major factor in the present case. I do not think that the aural similarity of "MYCHEW" and "HI-CHEW" outweighs their visual and conceptual dissimilarities as to tilt the balance towards a likelihood of confusion.

210 In the selection and purchase of self-serve items, the consumer has the opportunity to spend "*a modicum of attention and reflect on what he is examining, at least for a moment that is longer than 'in a flash'*": see *The Polo/Lauren Company L.P. v United States Polo Association* [2002] 1 SLR 326 at [9].

211 Further, as we are concerned with food items, it is also reasonable to expect the purchasing public to exercise a certain degree of care in selecting

such goods that will be ingested by the human body, first for safety reasons, and second for reasons of personalised taste preference. In other words, the public will have sufficient opportunity (since items are self-serve) and inclination to discern and correctly select the desired food item.

73 The upshot of this in the present case is that the purchasing public will likewise have opportunity to exercise care to select and help themselves to the goods off the shelves without the need to, for example, articulate the marks "MARTY'S" or "SMARTIES" and have the goods handed to them by sales assistants. Hence, the visual and conceptual aspects of the Application Mark and the Opponents' SMARTIES marks are more preponderant than the aural aspects thereof. Accordingly, the visual and conceptual dissimilarities between the marks bear more heavily on the consumer's perception at the point of selection and purchase, than does any aural similarity. As such, the consumer is not reasonably likely to be confused.

74 Price-wise, I have also considered that the goods in question are generally inexpensive (for example, as compared to watches and cars) and the attendant degree of fastidiousness exercised here would be lower on the scale than the degree of fastidiousness exercised in relation to expensive consumer items like watches and cars. However, this factor is on the whole outweighed by the above findings on the impact of goods-similarity on consumer perception, including the expectation that, as opined in *Crown Confectionery*, consumers would exercise a certain degree of care in the selection and purchase of food items (even if they are inexpensive).

(iii) Conclusion on Likelihood of Confusion

75 On balance, taking into account the permissible extraneous factors, I do not find a reasonable likelihood of confusion that goods bearing the Application Mark and the Opponents' SMARTIES marks emanate from the same undertaking or from economically linked undertakings.

Conclusion

76 The ground of opposition under Section 8(2)(b) therefore fails.

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

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

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

Decision on Section 8(7)(a)

78 The test for passing off is mostly uncontroversial and the High Court in *Ferrero* sets out the elements to be established at [193] as follows:

To succeed in an action for passing off, the Plaintiff must establish the following elements of the “classical trinity” (*Amanresorts* at [36]-[37], citing *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 (“*CDL Hotels*”) at [86]):

(a) First, that the plaintiff has goodwill attached to the goods which he supplies in the mind of the purchasing public by association with the identifying “get-up” (including, *inter alia*, brand names) under which his particular goods are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods (hereinafter, referred to as the element of “goodwill”).

(b) Second, that the defendant has made a misrepresentation to the public (whether intentional or otherwise) leading or likely to lead the public to believe that goods offered by the defendant are those of the plaintiff (hereinafter, referred to as the element of “confusing misrepresentation”); and

(c) Third, that the plaintiff suffers, or is likely to suffer, damage by reason of the erroneous belief engendered by the defendant’s misrepresentation (hereinafter, referred to as the element of “damage”).

79 I will examine these requisite elements in turn.

Goodwill

80 The Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 at [39] lyrically describes goodwill as follows:

Like that other great force of attraction which we call "love", "goodwill" is ephemeral and hard to define. To date, Lord Macnaghten's speech in *The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 ("*IRC v Muller & Co*") at 223-224 remains, in our view, 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.

The above passage highlights two essential features of goodwill. First, it is the association of a good, service or business on which the plaintiff's mark, name, labelling, etc (referred to generically as the plaintiff's "get-up") has been applied with a particular source. Second, this association is an "attractive force which brings in custom" (*id* at 224).

81 In support of their claim to goodwill in Singapore, the Opponents rely on the long use of their SMARTIES marks in Singapore since before the 1970's. However, as commented above, this claim has not been evidenced before me in the form of any documentation. Nonetheless, I have taken notice of the annual sales figures in Singapore of goods bearing the Opponents' SMARTIES marks from 2004 to 2009 as follows:

Year	Annual Sales (S\$)
2004	655,533
2005	518,579
2006	509,707
2007	285,889
2008	249,834
2009	342,234

82 I also accept the Opponents' evidence that goods bearing their SMARTIES marks are available in Singapore through various outlets e.g. supermarkets, provision stores, convenience stores and speciality candy stores.

83 Accordingly, I am prepared to find that the Opponents enjoy goodwill in Singapore as on the application date of 28 October 2009.

Misrepresentation

84 As for the second element of misrepresentation, I have earlier found under Section 8(2)(b) that there is no marks-similarity and also no reasonable likelihood of confusion between the Application Mark and the Opponents' SMARTIES marks.

85 I am mindful of the words of the Court of Appeal in *Hai Tong* at [115] that:

... the relevant tests for the tort of passing off and a claim for trade mark infringement are not identical, and although *in an action for passing off, the court is not constrained* in the same way that it would be in a trade mark infringement action *in identifying the factors it may take into account...*

(emphasis added)

86 However, despite being able to consider all circumstances and not only factors relating to the impact of marks-similarity and goods-similarity on consumer perception, I am still unable to conclude that there would be misrepresentation in the present case.

Damage

87 It further follows that as the Opponents have not established misrepresentation, the element of damage cannot be made out.

Conclusion

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

Conclusion

89 Having considered all the pleadings, evidence and submissions made in writing and orally, I find that the opposition fails on both grounds. Accordingly, the Application Mark shall proceed to registration. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 28th day of April 2014

See Tho Sok Yee

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore