

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

Trade Mark Nos. T0508163A
13 February 2014

**IN THE MATTER OF
TRADE MARK REGISTRATION BY**

BARCARDI & COMPANY LIMITED

AND

**APPLICATION FOR
REVOCAION AND INVALIDATION
THEREOF BY**

G3 ENTERPRISES, INC

Hearing Officer: Ms Sandy Widjaja
Principal Assistant Registrar of Trade Marks

Mr Melvin Pang (Amica Law LLC) for the Applicants

Mr Dedar Singh Gill and Mr Gabriel Ong (Drew & Napier LLC) for the Registered
Proprietors

Cur Adv Vult

GROUND OF DECISION

1 These proceedings have been brought in relation to T0508163A ("the Registered Mark"):



for the following goods in class 33:

Alcoholic beverages (except beer), including wines, spirits and liqueurs ("the Goods").

2 The Registered Mark was registered with effect from 18 May 2005 and it is in the name of Bacardi & Company Limited ("the Registered Proprietors"). The date of completion of registration for the Registered Mark was 21 December 2005.

3 G3 Enterprises, Inc ("the Applicants") filed their application for revocation and for declaration of invalidity on 6 March 2012. The Registered Proprietors filed their counter-statement on 4 May 2012.

4 The Applicants filed evidence in support of their application for revocation and for declaration of invalidity on 25 January 2013. The Registered Proprietors filed evidence in support of the Registered Mark on 27 May 2013. The Applicants filed evidence in reply on 27 September 2013. The hearing took place on 13 February 2014.

5 By way of background, on 3 March 2010, the Applicants applied to register the application mark T1002552C ("the L. Martini Mark"):

LOUIS M. MARTINI

for the following goods in class 33:

Alcoholic beverages (except beers).

6 On 31 August 2011, the Registered Proprietors filed an opposition to the L. Martini Mark on the basis of the Registered Proprietors' prior registrations, which includes the Registered Mark. The Applicants then filed this action for revocation and for declaration of invalidity on 6 March 2012 as mentioned above.

Grounds of Revocation and Invalidation

7 The Applicants rely on Sections 7(1)(b), 7(1)(c), 7(1)(d) read with Section 23(1) and Section 22(1)(c) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("the Act") in these proceedings.

Applicants' Evidence

8 The Applicants' evidence comprises a statutory declaration made by Mr Michael J Ellis on 22 January 2013 (the 1st SD of MJE) as well as a statutory declaration in reply made by the same deponent on 19 September 2013 (the 2nd SD of MJE).

Registered Proprietors' Evidence

9 The Registered Proprietors' evidence comprises of statutory declarations made by several persons, namely (i) Ms Beatrice Helene Sfondylia dated 15 May 2013 (SD of BHS); (ii) Ms Lim Alison Ann Peck Poh dated 15 May 2013 (SD of AL); (iii) Mr Tay Hui Khim dated 22 May 2013 (SD of THK); (iv) Mr Tay Liang Teck, Jake dated 15 May 2013 (SD of JT); and (v) Mr Mui Kim Meng (a.k.a Gavin Mui) dated 15 May 2013 (SD of GM).

Applicable Law and Burden of Proof

10 The applicable law is the Trade Marks Act (Cap 332, 2005 Rev Ed) and there is no overall onus on the Registered Proprietors either before the Registrar during examination or in invalidation proceedings. Thus the burden of proof in respect of the invalidation proceedings falls on the Applicants.

11 However, in respect of the defence under Section 23(2), the Registered Proprietors have the burden of showing that this defence has been made out.

12 Last but not least, the burden of proof in respect of the revocation under Section 22(1)(c) also falls on the Applicants.

Background

13 The Applicants are the lawful proprietor of the Louis M. Martini winery, which was acquired by the Applicants in 1992. The winery, which was named after the founder, was established in 1933 in Napa Valley, San Francisco and has been passed down and managed by the Martini family ever since. The Applicants submitted that for more than 75 years, the Martini family wine makers have been crafting their signature world class Cabernet Sauvignon wines from the vineyards of the Sonoma and Napa Counties. Currently, Michael Martini, the 3rd generation wine maker of the Martini family, runs the winery.

14 The Registered Proprietors submitted that in the early years (*circa* 1863), "MARTINI" vermouth was made by "Martini, Sola & Company", which was later re-named as "Martini & Rossi" in 1879. Shortly after its successful launch in Italy, the original partners of Martini, Sola & Company decided to concentrate their efforts on exporting "MARTINI" product overseas.

15 The Martini & Rossi group grew by establishing subsidiaries in key markets and in 1977 it was restructured to enable it to benefit from changes to the business caused by the ever increasing internationalisation. In 1992-1993, Maritini & Rossi was taken over by the Bacardi Group. From then the enlarged group of companies has generally operated in Asia and elsewhere under the corporate name Bacardi-Martini via distribution subsidiaries in most markets. Bacardi-Martini Singapore Pte Ltd ("BMSPL") was set up in 1988 with the main function and purpose of marketing and distributing wines and spirits in Singapore (more details as to this below).

Summary

16 For convenience, I set out my principal holdings as follows:

- (i) The grounds of objection under Section 23 read with Section 7(1)(b) and (c) have been made out in light of the marketplace and environment which have been shown to understand "martini" to refer to a generic alcoholic cocktail drink, and in light of the fact that the Registered Mark is descriptive of the intended purpose of the goods, which is to make a "martini" cocktail.
- (ii) The ground of objection under Section 23 read with Section 7(1)(d) has been made out partially, specifically in relation to "alcoholic cocktails served in 'martini' glass". However, while there is an overlap in relation to this requirement for genericism for the ground of objection under Section 22(1)(c) as well, this revocation objection has not been made out as it has not been shown that such genericism is the result of inactivity on the part of the Registered Proprietors.
- (iii) However, the defence under Section 23(2) has been partially made out in that the Registered Mark has acquired distinctiveness in relation to vermouth and sparkling wine only, in light of the evidence tendered.

MAIN DECISION

INVALIDATION

Ground of Invalidation under Section 23(1) read with Section 7(1)(b), (c) and (d)

17 Section 23(1) and (2) of the Act reads:

23.—(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of [section 7](#).

(2) Where the registered trade mark was registered in breach of [section 7](#) in that it is a trade mark referred to in subsection (1)(b), (c) or (d) of that section, it shall not be declared invalid if, in consequence of the use which has been made of it, it has after registration acquired a distinctive character in relation to the goods or services for which it is registered.

Section 7(1)(b) to (d) and Section 7(2) of the Act read:

7.—(1) The following shall not be registered:

...

(b) trade marks which are devoid of any distinctive character;

(c) trade marks which consist exclusively of signs or indications which may serve, in trade, to designate the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of goods or of rendering of services, or other characteristics of goods or services; and

(d) trade marks which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade.

(2) A trade mark shall not be refused registration by virtue of subsection (1)(b), (c) or (d) if, before the date of application for registration, it has in fact acquired a distinctive character as a result of the use made of it.

Applicants' Submissions

18 The Applicants submitted that as a preliminary point, the High Court in *Love & Co Pte Ltd v The Carat Club Pte Ltd* [2008] SGHC 158 (“*Love Case*”) commented that the object of the assessment for “inherent distinctiveness” in respect of Sections 7(1)(b), (c), (d) of the Act is to determine whether the trade mark has intrinsic or inherent features or characteristics that are sufficiently unique to enable the mark to immediately function as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader’s goods or services to differentiate that trader’s goods or services from those originating from the other traders who are operating in the same market place and environment in which the trade mark is supposed to function.

19 The Applicants submitted that it is trite law that the test to be applied when assessing whether a trade mark crosses the threshold of inherent distinctiveness under Section 7(1)(b) is to ask whether “it is the sort of sign which can do the job of distinguishing without first educating the public that it is a trade mark?”

20 The Applicants submitted that in the *Love Case*, Justice Chan Seng Onn clarified that the object of the assessment for “inherent distinctiveness” in relation to Section 7(1)(b) is to determine:

“whether the trade mark has intrinsic or inherent features or characteristics that are sufficiently unique to enable the intended mark to immediately function (and not potentially function in the future through subsequent use by the promoter of the mark) as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader’s goods or services to differentiate that trader’s goods or services from those originating from other traders, who are operating in the same market place and environment in which that trade mark is supposed to function...” [Emphasis added]

21 The Applicants further submitted that a trade mark’s distinctiveness is to be assessed by reference to:

- (i) the goods or services in respect of which registration is sought; and
- (ii) the perception of the relevant persons, namely the consumers of the goods or services, who are reasonably well informed, observant and circumspect.

22 The Applicants submitted that where a trade mark consists of a single generic word and the trade mark is applied in respect of goods/services which have direct relation to the description of the mark, the mark fails in its essential capacity of differentiating a trader’s goods/services from those of another and is devoid of any distinctive character.

23 The Applicants submitted that a mark must be refused registration under Section 7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or

services concerned. It does not matter that there are other synonyms, other more usual signs or indications which can also serve to designate the same characteristic or other characteristics of the goods or services as Section 7(1)(c) does not prescribe that the mark under examination should be the only way of designating the particular characteristic in question. The characteristic of a particular good or service includes “the kind, quality, quantity, intended purpose, value, geographical origin, the time of production of the goods or of rendering of services” as well as “other characteristics of goods or services”.

24 The Applicants submitted that as stated by the European Court of Justice (ECJ) in *Koninklijke KPN Nederland NV v Benelux-Merkenbureau (Case C-363/99)* [2005] 3 W.L.R. 649 in considering the registrability of the mark *POSTKANTOOR* (Dutch for "Post Office") under Article 3(1)(c) of the European Trade Marks Directive, which is in *pari materia* with our Section 7(1)(c):

“It is also irrelevant whether the characteristics of the goods or services which may be the subject of the description are commercially essential or merely ancillary. The wording of Article 3 (1)(c) of the Directive does not draw any distinction by reference to the characteristics which may be designated by the signs or indications of which the mark consists. In fact, in the light of the public interest underlying the provision, any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially .” [Emphasis added]

25 The Applicants submitted that it is important to note that at this point of the inquiry, no evidence of actual use or marketing by the Registered Proprietors can be taken into account in determining whether it falls foul of Sections 7(1)(b) and (c). That only comes in when the question of acquired distinctiveness is engaged.

26 The Applicants submitted that in the current case, the term "martini" is non distinctive / descriptive in a number of ways, particularly, in reference to a generic alcoholic cocktail, traditionally made with vodka or gin and vermouth, but having since expanded to encompass a wide variety of cocktails.

27 The Applicants referred to the Goods. The Applicants submitted that it is immediately apparent that the specification claimed under the Registered Mark is wide ranging and would cover any alcoholic beverages (except beer), including the wide range of cocktails contemporarily referred to as a "martini". On that basis, the Applicants submitted that the Registered Mark would be directly descriptive of the Goods.

28 The Applicants referred to *OHIM v Wm. Wrigley Jr. Company (Case C-191/01P) (Doublemint Case)* [2004] 1 W.L.R. 1728 where the ECJ held that it was sufficient for the purposes of a refusal under Article 3(1)(c) of the Directive (which is in *pari materia* with Section 7(1)(c) of the Act) that at least one of the possible meanings of a word serves to designate a characteristic or feature of the goods or services concerned.

29 The Applicants submitted that whether a mark is non-distinctive and/or descriptive would have to be ascertained from the perspective of the relevant persons, namely the consumers of the goods or services, who are reasonably well informed and reasonably observant and circumspect.

30 The Applicants referred to the *Love case* where it was emphasized that:

*“the assessment is made by examining the trade mark and its meaning (if any) **absent any consideration of its use, promotion or marketing by the promoter of the trade mark, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date.**”*

31 The Applicants submitted that in considering the perception of the relevant customers in the market place and environment that exists as at the relevant date, one should take into account:

- i. all applicable facts and circumstances of the market place and environment;
- ii. relevant trade use by others as of the relevant date; and
- iii. the applicable facts and circumstance after the relevant date insofar as they can assist to determine the likely state of affairs as at the relevant date by way of a retrospective inference.

32 The Applicants submitted that cocktail "martinis" are sold to the general alcohol drinking public only through one main trade channel, namely, bars, pubs, restaurants and other food and beverage establishments.

33 The Applicants submitted that the unique context of how drinks are ordered and identified in such venues by the end consumer is thus relevant to the question of whether the Registered Mark may be seen as non-distinctive and / or descriptive.

34 The Applicants submitted that at these venues, drink choices and orders are normally made through the use of a menu listing out the various drinks and beverages available at that particular establishment, whereby the customer would have to make his order based solely on the descriptions in plain text on the menu.

35 The Applicants submitted that given the above, it is the aural component of the mark that would be of paramount importance in this context, given that any other visual distinctive design or font incorporated within the brand name of a particular alcohol would not be reproduced on the menu.

36 Regarding the visual component of the Registered Mark, specifically the term MARITNI within a rectangle superimposed onto a circle, the Applicants submitted that the mark does not have any characteristic element, nor any memorable or eye-catching features that will enable the consumer to perceive it otherwise than a description of the goods in question. In the alternative, the Applicants submitted that the term "martini" even when perceived in conjunction with the figurative elements of the mark, is devoid of distinctive character.

37 In support of the above, the Applicants highlighted three cases.

38 First, in *Bioid AG v OHIM (Case T-91/01)* [2003] ETMR 60, the Court of First Instance (CFI) held that the following mark was devoid of distinctive character:

Bioid.

The CFI agreed with Office for Harmonisation in the Internal Market (OHIM)'s reasoning that:

“...a compound mark is devoid of distinctive character where the word element is descriptive of the goods and services concerned and the relative importance of the figurative elements is minimal in comparison with that of the word element.”

39 Secondly, in *Starbucks (HK) Ltd v British Sky Broadcasting Group Plc* [2012] EWHC 3074 (Ch), the UK High Court held that the following mark was devoid of distinctive character and/or consisted exclusively of signs which may serve to denote the kind of goods in question:

now

The High Court found that:

“...the figurative elements add nothing to the distinctiveness of the Mark”

40 Thirdly, in *Matsushita Electric Industrial Co Ltd Trade Mark Application* 2009 WL 3805469, the High Court stated:

“...the addition to descriptive words of common fonts, colours and stylistic elements will not necessarily be sufficient to imbue distinctiveness on the resultant mark. It is a matter of judgment in each case...”

41 The Applicants submitted that the figurative elements of the Registered mark, similar to those in the respective marks in *Bioid* and *Starbucks (HK)*, are not sufficient to imbue the Registered Mark with the necessary distinctive character. In support of this proposition, they relied on the importance of the aural component of the Registered Mark relative to its visual component and the non-fanciful nature of its figurative elements i.e. the rectangle superimposed on a circle.

42 The Applicants submitted that the figurative elements are not so fanciful as to detract from finding that the Registered Mark consists exclusively of signs or indications which may serve to denote the kind of goods in question. Rather, the average consumer of alcohol would regard the rectangle superimposed on the circle as decorative rather than denoting trade origin.

43 The Applicants further submitted that it is important to bear in mind that the continued registration of the Registered Mark would allow the Registered Proprietors to obtain a wide monopoly over a word which can subsequently be used by the Registered Proprietors to unjustifiably prevent the *bona fide* use of the word “martini” by other proprietors, even in a descriptive context, as well as any other confusingly similar names .

44 Further, even though the “descriptive use” defence is available under Section 28(1) of the Act to exonerate third parties who use a mark in a descriptive manner, this should not result in a less rigorous assessment of inherent distinctiveness when considering Section 7(1)(b). As stated in *Nichols Plc’s Trade Mark Application* [2003] RPC 16 at [14] (“*Nichols Application*”):

“The problem with saying “registration will not harm the public: if a third party wants to use the mark descriptively he has a defence” is this: that in the practical world powerful traders will naturally assert their rights even in marginal cases. By granting registration of a semi-descriptive or indeed a nearly-but-not-quite-completely descriptive mark one is placing a powerful weapon in powerful hands. Registration will require the public to look to its defences. With such words or phrases the line between trade mark and descriptive use is not always sharp. Moreover, it must not be forgotten that the monopoly extends to confusingly similar marks. In any marginal case defendants, SMEs particularly, are likely to back off when they receive a letter before action. It is cheaper and more certain to do that than stand and fight, even if in principle they have a defence.” [Emphasis added]

The Applicants submitted that this principle was affirmed by the European Court of Justice in *Nichols Plc v. Registrar of Trade Marks* [2005] RPC 12 (“*Nichols Case*”).

45 The Applicants submitted that in summary, as long as one of the possible meanings of the Registered Mark describes or designates the characteristics of the goods applied for, then this would fall foul of Section 7(1)(b) and/or (c). It is no defence for the Registered Proprietors to say that the descriptive use of the term would be protected by a Section 28(1) defence. Viewed from a different perspective, the Registered Mark is liable to be invalidated if the use of the identical term “martini” in respect of alcoholic cocktails would constitute an infringement of the Registered Mark, barring a reliance on a Section 28(1) defence.

46 The Applicants submitted that the purpose of Section 7(1)(d) is to prevent the registration of those signs or indications which honest traders customarily use in trades i.e. signs which are generic. As stated in *Kerly’s Law of Trade Marks and Trade Names (14th Ed.)*, London Sweet & Maxwell 2005, at Paragraphs 8-102 and 8-113:

“The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence.”

“From what the ECJ has said already: Art.3(1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art.3(1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks and therefore do not deserve to be protected ... Bearing in mind the primary role of 3(1)(d)/7(1)(d) are to prevent traders seeking to monopolise terms which are already generic, the fact of genericism can usually be demonstrated.” [Emphasis added]

[I note that there is a later edition of this textbook, which I refer to in my Grounds of Decision below.]

47 The Applicants submitted that the generic nature of the Registered Mark and how the term “martini” is understood by the relevant Singaporean consumer is demonstrated by the following:

i. "Martini" is frequently defined in popular and authoritative dictionaries as referring to an alcoholic cocktail, usually made with vodka or gin and vermouth, garnished with an olive. Contemporarily, the term has also expanded to encompass all manner of cocktails prepared using various different alcoholic beverages.

ii. Targeted internet searches, including for the terms “Martini Singapore”, “Martini history” and for term “Martini” but limited only to pages from Singapore, show a predominant relation of the term with the generic alcoholic cocktail beverage.

iii. A survey of a wide spectrum of the bars, clubs and various other food and beverage establishments in Singapore show that the term “Martini” is used in relation to and understood to refer to a generic type of alcoholic cocktail beverage.

iv. A review of all the articles published by the Straits Times over the period from 1 January 1990 – 9 January 2013, including all advertisements taken out there, reveals that only 23 out of the 482 references to the term “Martini” were used in relation to the term as a brand belonging to the Registered Proprietors. The overwhelming use of the term, and as understood by the relevant public in Singapore, would be in reference to a generic cocktail drink (207 references), as a particular type of cocktail glass (72 references) or as the name of a person (105 references).

Before the relevant date of 18 May 2005, only 8 out of the 197 references were used in relation to the term as a brand belonging to the Registered Proprietors. In comparison, there were 62 references to use as a generic cocktail drink and 100 references to use as the name of a person.

v. By reference to popular movie culture, in particular the “James Bond” series, where the title character’s signature drink is a vodka "martini" cocktail, in reference to the generic cocktail drink.

48 In relation to the issue of acquired distinctiveness, the question to be determined here is whether, through the use made of the Registered Mark, it has acquired a distinctive character in respect of the Goods. The burden of proving acquired distinctiveness will fall on the party alleging it – the Registered Proprietors.

49 The Applicants submitted that it is their case that the Registered Proprietors' references and submitted evidence of use is irrelevant to showing acquired distinctiveness of the Registered Mark. Further or in the alternative, such evidence of use is insufficient to establish its acquired distinctiveness.

50 The Applicants submitted that it is well established that this question must be asked through the eyes of the average consumer who is reasonably well informed and reasonably

observant and circumspect (*Lloyd Schuhfabrik Meyer & Co. GmbH v. Klijsen Handel BV Case C-342/97* [1999] ECR I-3830).

51 In *Windsurfing Chiemsee v Boots* (1999) ETMR 585 ("*Windsurfing Case*"), the ECJ set out the test to be applied in order to determine whether a trade mark has acquired distinctive character under Article 3(3) of the Directive (similar to section 7(2) of the Act):

"...if the competent authority finds that a significant proportion of the relevant class of persons identify goods as originating from a particular undertaking because of the trade mark, it must hold the requirement for registering the mark to be satisfied..."

52 The guiding evidentiary requirements in establishing acquired distinctiveness are detailed as follows :

"In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings." (Para 49)

*"In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: **the market share held by the mark; how intensive, geographically widespread and long- standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.**" (Para 51) [Emphasis added.]*

"If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify the goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied. However, the circumstances in which that requirement may be regarded as satisfied cannot be shown to exist solely by reference to general abstract data such as predetermined percentages." (Para 52)

53 The above test was accepted in the *Love Case* which also clarified that the court in evaluating the presence or existence of *de facto* distinctiveness in an inherently non-distinctive mark has to take into consideration:

i. all the relevant facts and circumstances, including the prevalence of the wide variety of actual trade mark and non-trade mark use, promotion and advertising by other traders of the same mark or similar marks with similar attributes by other traders, and all other relevant actions by other traders of similar goods and services, which have the effect of eroding the general perception of the average discerning consumer linking the inherently non-distinctive trade mark in question to the identity of the originator of the goods or services on the one hand; and

ii. on the other hand, all the relevant actions by the promoter of the trade mark in using the trade mark in question constantly as its badge of commercial origin, by inscribing the mark invariably on all their goods, by extensively and intensively promoting, advertising and educating the average discerning consumer of the promoter's trade mark, in taking relevant enforcement action for passing off and in taking enforcement action against infringers to protect its registered trade mark (whether or not registered correctly or erroneously), all of which have the opposite effect of shoring up the perception in the eyes of the average discerning consumer that the inherently non distinctive trade mark in question must be associated with and must have originated from that trader who has been intensively and extensively using, promoting and advertising the trade mark in question in relation to those goods or services of his.

54 The Applicants submitted that in the present case, the majority of the evidence adduced by the Registered Proprietors is irrelevant to the consideration of whether the Registered Mark has acquired distinctiveness in the eyes of the relevant Singaporean public. Particular reference is made to the SD of BHS which appears to be directed mainly to the promotional and advertising efforts undertaken with respect to the "Martini" brand and name in Europe.

55 Significantly, aside from the Singaporean sales figures set out at paragraphs 29 - 31 of her statutory declaration, none of the evidence adduced can be shown to have influenced or otherwise affected the brand consciousness of the average Singaporean consumer. Bare assertions are made to say that Singaporean consumers would somehow be aware of these advertising efforts but again no evidence has been adduced to support this.

56 At paragraphs 51 – 53 of the SD of BHS, the Registered Proprietors refer to the 2009 and 2010 editions of the Power 100 survey in an attempt to show the level of brand recognition and market share garnered under the "Martini" brand. However, on a review of the survey and the methodology used in determining the brand rankings, it is unclear whether the markets surveyed even includes any Asian countries, much less provide any clear indication of the brand consciousness of the relevant Singaporean consumer.

57 The Applicants submitted that of more evidentiary value to the present inquiry would be what was **NOT** included in the Registered Proprietors' evidence, namely the advertising figures and expenditure incurred in relation to the promotion of the Registered Mark within Singapore. Without exposure to **ANY** advertisement of the "Martini" brand or education of its function as a trade mark, one is hard pressed to see how the relevant Singaporean consumer would be able to understand that the term is capable of referring both to a brand of alcohol as well as to a generic alcoholic cocktail.

58 The Applicants submitted that in essence therefore, the Registered Proprietors are relying solely on their local sales figures for their "Martini" vermouth and sparkling wine products for the limited period from 2007 – 2011 to buttress their case that the Registered Mark has somehow acquired distinctiveness. However, the extent of any brand recognition being acquired in this manner is further limited in three ways.

59 First, as discussed above, the unique context of how drinks are ordered and identified in bars, pubs, restaurants and other food and beverage establishments means that any visual component of the Registered Mark would be rendered insignificant as opposed to the aural component, given that the customer would have to make his order based solely on the

descriptions of the drinks in plain text on the menu. This severely hinders the ability of the Registered Mark to acquire distinctiveness as no emphasis is placed on how it is visually represented, rendering it identical to the use of the term “martini” when referring to the generic cocktail.

60 Secondly, consumer confusion is exacerbated by the fact that the Registered Proprietors' "Martini" vermouth products are actually also used in the making of the generic "martini" cocktail, thus making it harder for the relevant consumer to differentiate between the two. A good example of this would be to refer to the menu of Brussel Sprouts as exhibited at Exhibit 6 of the Registered Proprietors' SD of AL (at page 241). An excerpt of the menu is set out below:

MARTINIS

Vodka – 42 below vodka, martini extra dry

Gin – bombay sapphire gin, martini extra dry

Without first being aware that the Registered Proprietors have a vermouth product called Martini Extra Dry, it is entirely probable that the consumer would simply assume that the "martinis" sold simply incorporated a mixture of a classical extra dry "martini".

61 Thirdly, the Registered Proprietors' product line incorporates extremely misleading names such as Martini Extra Dry, which is identical to the term “extra dry martini”, the latter referring to a "martini" cocktail made using less vermouth. This serves as an impediment and makes it harder for the relevant consumer to achieve any brand recognition or to differentiate between the different uses of the term.

62 By reason of the foregoing, the Applicants submitted that it would require a substantial and concerted promotional effort by the Registered Proprietors' before “*a significant proportion of the relevant class of persons*” is able to differentiate between the use of the term “Martini” as the Registered Proprietors' brand or as a generic cocktail.

63 The Applicants submitted that lastly, even if the Registrar finds that sufficient use has been made of the Registered Mark by the Registered Proprietors for it to have acquired distinctiveness, such use appears to be limited only to vermouth and certainly not the full spectrum of the Goods claimed.

Registered Proprietors' submissions

64 The Registered Proprietors submitted that there are two different aspects of distinctiveness in trade mark law. They are:

- (a) distinctiveness in the “*ordinary and non-technical sense*”; and
- (b) distinctiveness in the “*technical sense*” (see *Staywell Hospitality Group v Starwood Hotels & Resorts Worldwide* [2013] SGCA 65 at [22] to [25]).

65 Non-technical distinctiveness refers to “*what is outstanding and memorable about the mark*” (*Staywell* at [23]). This aspect of distinctiveness is not at issue in the present case.

66 Technical distinctiveness relates to the capacity of the mark as an indicator of origin. It can be inherent, or acquired through use. In *Staywell*, the Court of Appeal stated as follows:

*“[24] Distinctiveness in the technical sense on the other hand, usually stands in contradistinction to descriptiveness. Where the latter connotes words that describe the goods or services in question, or of some quality or aspect thereof, **the former refers to the capacity of a mark to function as a badge of origin. Distinctiveness can be inherent, usually where the words comprising the mark are meaningless and can say nothing about the goods or services; or acquired, where words that do have a meaning and might well say something about the good or services, yet come to acquire the capacity to act as a badge of origin through long-standing or widespread use ...**” (emphasis added)*

67 On the subject of inherent distinctiveness, the Court of Appeal in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 stated as follows:

*“[31] Some marks are inherently distinctive because they consist of inventive words without any meaning at all (eg, "Volvo" (see *Polo (CA)* at [23]) or "Nutella" (see *Sarika* at [36])). But, inherent distinctiveness can arise either because the words used in a mark are completely inventive and meaningless, **or because even though they may have a meaning, they are used in a way that is completely arbitrary in relation to the goods or services in question. When used in this way, the words comprising the mark have no notional or allusive quality at all and say nothing about the goods or services in relation to which the mark is used.**” (emphasis added)*

68 As for acquired distinctiveness, the Court of Appeal in *Hai Tong* endorsed the following approach:

*“[32] **Even a mark that is not inherently or obviously distinctive may become so by use...***

*[33] In this regard, it may be helpful to have regard to the following factors that were considered by the High Court in *Doctor's Associates Inc v Lim Eng Wah* (trading as SUBWAY NICHE) [2012] 3 SLR 193 ("*Subway Niche*") in determining whether a mark had acquired distinctiveness through use (see *Subway Niche* at [21]):*

- (a) the **market share held by the registered mark;***
- (b) the **nature of its use (whether or not it was intensive, widespread and long-standing);***
- (c) the **amount invested in promoting the mark;***
- (d) the **proportion of the relevant class of individuals who identified goods sold under the mark as emanating from a particular source; and***
- (e) any **statements from trade associations and chambers.**”*

(emphases added)

69 The Registered Proprietors submitted that firstly, the Registered Mark is inherently distinctive in relation to the Goods.

70 The Registered Proprietors submitted that in law, the assessment whether or not a trade mark has inherent distinctive character “*depends on the appearance of the trade mark as a whole to the average discerning consumer*”, but this assessment is “*not made purely in a*

vacuum but in the context of the particular market place or environment in which the goods are dealt with and where the [goods or] services are provided to the consumer” (Love Case at [35]).

71 Further, the principle that the distinctive character of a mark is to be assessed in relation to the goods or services involved and to the perception of the relevant consumers applies equally to cases where the mark in question is a name or a surname (see *Nichols Case* at [25]).

72 The Registered Proprietors submitted that here, the evidence adduced by both parties show that ‘Martini’ can be a person’s name. In the Registered Proprietors’ context, “MARTINI” originates from the company that first produced “MARTINI” vermouth in 1863 – Martini, Sola & Company (re-named “Martini & Rossi” in 1879).

73 The Registered Proprietors submitted that in Singapore, the goods marketed under the Registered Mark are vermouth (MARTINI Rosso, MARTINI Bianco, and MARTINI Extra Dry) and sparkling wine (MARTINI Asti Spumante, MARTINI Brut Sparkling and MARTINI Rose Sparkling). Abroad, the Registered Proprietors has launched other products under the “MARTINI” mark. They include “MARTINI” Fiero, “MARTINI” D’oro, “MARTINI” Rosato and more recently “MARTINI” Gold.

74 The Registered Proprietors submitted that vermouth is a fortified wine flavoured with aromatic herbs and spices. It can be sweetened, unsweetened or dry. The International Wine and Spirits Record (“**IWSR**”), an independent body that provides statistical information relating to the global drinks industry, categorises alcoholic beverages according to various different categories and product definitions. The IWSR categorises Aperitifs into 2 sub-categories: light aperitifs and spirit aperitifs. Light aperitifs in turn are subdivided into 2 further sub-categories: vermouth (of which the Registered Proprietors’ “MARTINI” is one), wine aperitifs and fruit based aperitifs.

75 The Registered Proprietors submitted that while “MARTINI” is not an invented word, it is and has always been used in a way that is completely arbitrary in relation to vermouth and/or sparkling wine. The Registered Proprietors submitted that “MARTINI” obviously does not describe or refer to any notional or allusive quality about vermouth and/or sparkling wine. Similarly for “spirits” and “liqueurs”. The word “martini” is not descriptive of gin, or vodka, or absinthe, or brandy, or whisky, or sherry, or rum, or any number of alcoholic products.

76 The Registered Proprietors submitted that distinctiveness must be assessed in relation to the particular marketplace or environment in which the goods are dealt with. Here, the goods in question are alcoholic beverages. The evidence shows that a consumer may obtain alcoholic beverages in 2 main ways: (a) purchases from supermarkets and other retail outlets (e.g. Duty Free shops); and (b) ordering a drink at a bar, pub, or restaurant (or other food & beverage establishment where alcohol is served). The latter will be addressed in the submissions in the section on acquired distinctiveness below.

77 The Registered Proprietors submitted that as far as retail purchases of alcoholic products are concerned, the Applicants have adduced no evidence of any product in retail outlets which uses the term ‘martini’ in a descriptive sense. This is significant, because retail sales represent a large amount of the sales of the Registered Proprietors’ goods, and arguably the same can be said for all alcoholic beverages in general. On a related note, the Registered

Proprietors' evidence is that it does *not* sell pre-mixed (alcoholic) cocktails under the “MARTINI” mark.

78 “Martini” as a cocktail is a mixed drink. A consumer may go to the bar to get one, or he may buy the requisite spirits/liqueurs/bitters to mix it himself. But, when a consumer sees the Registered Mark in a store, he will no doubt be aware that it is used as an indicator of origin and that the product is from the Registered Proprietors' and none other.

79 The Registered Proprietors submitted therefore that from its inception in 1863 until today, the Registered Mark was and is inherently distinctive of alcoholic beverages such as wines, spirits and liqueurs. The Registered Proprietors submitted that the Applicants must know this. If that were not the case, the Applicants would have applied to invalidate the Registered Proprietors' earlier “MARTINI” trade marks, namely T3903108D and T6026847J (Prior Martini Marks) as well.

80 The Registered Proprietors submitted that the question which follows is whether “MARTINI” is inherently distinctive in relation to “*alcoholic beverages (excluding beer)*” in general. The main thrust of the Applicants' evidence in this regard is that the term ‘martini’ is used to refer to cocktails.

81 Inherent distinctiveness has to be assessed at the date of application for registration (*Love Case* at [31]). The Registered Proprietors submitted however that the issue of inherent distinctiveness cannot be divorced from the historical context. Here, the historical evidence shows that “MARTINI” vermouth pre-dated the first references to ‘martini’ cocktails by many years.

82 The Registered Proprietors' evidence shows that “MARTINI” vermouth was first produced in the Piedmont region of Italy in 1863. Almost immediately following its launch, “MARTINI” vermouth attracted success. In 1865 it won a medal at the Dublin Exhibition in Ireland, a picture of which was then displayed on the bottle label. In 1868, this medal was joined by a white cross on a red background, to symbolise the endorsement given to the producer and product by King Vittorio Emanuele II of the Royal family of the Savoy Court. Many other medals followed in the 1870s and 1880s from exhibitions in Paris, Alexandria, Antwerp, Melbourne, Bordeaux, Mendoza and elsewhere. In 1877, the Respondent launched “MARTINI” Asti, a sparkling wine.

83 On the other hand, the origins of the ‘martini’ cocktail are uncertain. A survey of the Applicants' evidence reveals that no one really knows who invented the “martini” cocktail and when it was invented although multiple theories have been espoused. Among these theories are the following: (1) in 1887, one Jerry Thomas, bartender at the Occidental Hotel in San Francisco, published a bartending manual with a recipe for a ‘Martinez’ that comprised of bitters, maraschino, vermouth, and gin; and (2) in 1911, a bartender known as Martini di Arma di Taggia at the Knickerbocker Hotel in New York served a drink containing gin, vermouth and orange bitters.

84 Whether or not the 1887 or the 1911 date is taken does not matter – the Registered Proprietors submitted that the point is that in 1863, “MARTINI” was not descriptive of any aspect of “*alcoholic beverages (excluding beer)*”. It was inherently distinctive in relation to not only vermouth but also all alcoholic beverages. The Registered Proprietors submitted that it had been used *widely* (in Paris, Alexandria, Antwerp, Melbourne, Bordeaux, Mendoza and

elsewhere) as an indicator of trade origin 24 years before the first written record of a ‘Martinez’ cocktail, and 48 years before Martini di Arma di Taggia’s cocktail was served.

85 The Registered Proprietors' second submission is that in any event, the Registered Mark has acquired distinctiveness in relation to the goods for which it is registered by reason of, *inter alia*, long and extensive user of the mark. Each of the factors to be considered in determining the distinctiveness of a mark (most recently endorsed by the Court of Appeal in *Hai Tong*) will be examined in turn.

86 The first factor is “market share held by the registered mark”.

87 Insofar as market share is concerned, the Registered Proprietors' evidence is that across the period from 1995 to 2005, the Registered Proprietors market share in the Light Aperitifs category in Europe (overall) increased from 41.4% (in 1995) to 48.2% (in 2005). As for the Vermouth category, its market share in Europe (overall) increased from 44.6% (in 1995) to 50.7% (in 2005).

88 The Registered Proprietors submitted that as far back as 1890, Martini & Rossi was exporting more than 300,000 cases of their product every year. In 1996, based on the independent statistics compiled by the IWSR, nearly 13 million (9 litre) cases of product were sold in Western and Eastern Europe. In 2001, “MARTINI” vermouth was the third biggest selling wine in the world, and the number one wine in Europe. In that year, European domestic sales amounted to some 12,469,780 (9 litre) cases. By way of comparison, the next highest selling branded wine product sold only 6,832,300 cases in the same period. To take 2007 as a more recent example, the Registered Proprietors evidence is that approximately 10,175,480 (9 litre) cases of "MARTINI" vermouth were sold across the European Union. It is important to note that although the units are expressed in terms of 9 litre cases, “MARTINI” product is sold in various bottle sizes ranging from 37.5cl to 150cl.

89 In the Singapore context, the IWSR statistics show that (including Duty Free Singapore figures), the total volume of sales for “MARTINI” products expressed in terms of 9 litre cases, from the year 2005 to 2009 were as follows:

Year	2005	2006	2007	2008	2009
Volume (cases)	3,150	2,900	2,900	2,850	2,700

90 The sales figures compiled by IWSR for the Registered Proprietors “MARTINI” product in Singapore from the year 2005 to 2009 in terms of USD are set out below:

Year	2005	2006	2007	2008	2009
Value (USD)	280,000	275,000	291,000	327,000	362,000

91 The Registered Proprietors also adduced evidence of net sales figures in Singapore based on BMSPL’s internal records. The net turnover in SGD for Financial Year 2007 to 2011 was as follows:

Sum of NSV	Brand		
	Martini Vermouth	Martini Sparkling	Grand Total
FY2007	152,810	107,920	260,730
FY2008	166,000	126,730	292,730
FY2009	170,870	130,100	300,970
FY2010	170,771	148,364	319,135
FY2011	173,413	268,757	442,170
Grand Total	833,864	781,871	1,615,735

The Registered Proprietors submitted that the discrepancy between the above turnover figures and the IWSR figures is explained by the fact that the IWSR figures are derived from retail sales figures, whereas the above turnover figures are derived from BMSPL's sales figures to their wholesalers' network.

92 The Registered Proprietors submitted that to summarise, the market share occupied by the Registered Proprietors' products sold under the various "MARTINI" Marks (which includes the Registered Mark) is and has been a large one. The evidence on this factor strongly points towards a high level of acquired distinctiveness.

93 The second factor is "*nature of [the Registered Mark's] use (whether or not it was intensive, widespread and long-standing)*".

94 The Registered Proprietors submitted that it is clear from the evidence that the Registered Proprietors' "MARTINI" has a long and storied history. Shortly after their successful initial launch in 1863, Martini, Sola & Company (later Martini & Rossi) decided to concentrate their efforts on exporting the "MARTINI" product overseas. This led to the rapid growth of the "MARTINI" mark internationally. On the evidence, branches and warehouses were established in Buenos Aires, Barcelona, Paris, London, New York, Bucharest and Yokohama (amongst other places).

95 The Registered Proprietors submitted that over the decades, the Martini & Rossi group grew by establishing subsidiaries in key markets. In 1977 the group was restructured to enable them to benefit from changes to the business caused by ever-increasing internationalisation. In the early 1990s the group comprised about 150 companies, worldwide. In 1992-93, Martini & Rossi was taken over by the Bacardi group. Thereafter, the enlarged group of companies generally operated in Asia and elsewhere under the corporate name "Bacardi-Martini" via distribution subsidiaries in most markets that contained as part of their registered name the "MARTINI" mark in combination with the word Bacardi. In 2013, the 150th anniversary of "MARTINI" was celebrated.

96 The Registered Proprietors submitted that their various "MARTINI" marks are extensively protected around the world through numerous trade mark application/registrations. The evidence may be summarised as follows: (a) the first registrations for the "MARTINI" mark within a vermouth label date from the 19th Century (e.g. Registration. No. 893, registered in Italy in Class 33 on 27 July 1882; and Registration No. 3201, registered in Italy in Classes 32 and 33 on 31 March 1896); (b) the "MARTINI" mark (in various permutations) has been protected in a number of countries for well over 50 years, and this protection has been consolidated with on-going filings over the entirety of the brand's life; (c) the trade mark registrations (internationally) for the "MARTINI" word mark were supplemented by applications/registrations for "MARTINI" composite marks and label

applications; (d) the Respondent filed for (and obtained) registration in classes outside the alcoholic beverages class 33 (one example being services for "the provision of food and drink" in Class 43); and (e) the Respondent has protected associated marks such as the stripes device associated with "MARTINI SPORTLINE". The countries / jurisdictions in which the Registered Proprietors own "MARTINI" trade marks (either directly or through its associated companies Tradall S.A. ("Tradall") and Martini & Rossi S.p.A) include approximately some 200 countries.

97 The Registered Proprietors further submitted that the evidence relating to Singapore also shows intensive, widespread, and long-standing use.

98 While the Registered Proprietors' do not have a precise record of the date of first use of the "MARTINI" mark in Singapore, the evidence is that the mark has been used in Singapore for many decades (see Prior Martini Marks above). The registration for the Prior Martini Marks would likely have been secured in light of use of the mark "MARTINI" in or around that time (the earlier mark being registered in 1939).

99 In 1988, BMSPL was set up with the main function and purpose of marketing and distributing wines and spirits in Singapore. BMSPL imports "MARTINI" products from Tradall in Switzerland. The products are then distributed in 2 main ways. First, BMSPL sells directly to the major supermarket chains. Second, BMSPL supplies to its network of distributors in Singapore. The Registered Proprietors' submitted that their evidence in relation to the alcohol distribution trade is reinforced by evidence from the trade itself, as can be seen from the evidence filed by the Registered Proprietors.

100 The Registered Proprietors have also adduced evidence to show that a number of retailers in Singapore sell "MARTINI" product to end-consumers via the internet. These retailers include:

	Retailer	Website
	Liquor Bar	http://www.liquorbar.sg/index.php/selectio ns/vermouth
	SG Wine Shop	http://sgwineshop.com/spirit/aperitif
	Barworks Wines & Spirits	http://www.barworks.com.sg/store.php?s= spirits&cat=Aperitif
	HTH Wines & Spirits	http://www.hth-liquor.com/lookup/martini
	Isetan	https://www.isetan.com.sg/t/categories/su permarket/liquor-others
	East of Avalon Wines	http://sg.shop.88db.com/eastofavalonwin es/wine-italy
	Min Sheng He Pte Ltd	http://www.minshenghe.com.sg/martinirossi/ brand_295.html
	Prime Online	http://www.primeonline.com.sg/index.php ?page=shop.product_details&flypage=zo om_flypage_images.tpl&product_id=4595 &vmcchk=1&option=com_virtuemart&Ite mid=72
	Bottles and Bottles	http://www.bottlesandbottles.com.sg/spirit s/others

The Registered Proprietors submitted that the fact that the Registered Proprietors' "MARTINI" product is available to consumers online suggests that there is online demand for the Registered Proprietors' goods in Singapore.

101 The Registered Proprietors submitted that the last and arguably most important aspect of the evidence relating to the nature of the use of the Registered Mark concerns bars, pubs, restaurants and other food and beverage establishments. The Registered Proprietors submitted that this evidence is important because it is illustrative of the use of the Registered Mark vis-à-vis the general public (i.e. end-consumers of the Registered Proprietors' goods). After all, alcoholic beverages are meant to be consumed by the public.

102 The Applicants have adduced evidence such as drinks menus with the intention of showing that in the context of Singapore 'martini' is used to describe a cocktail and not to denote the Registered Proprietors' goods.

103 However, the Registered Proprietors submitted that the evidence presented by the Applicants is misleading and does not represent the true state of affairs. A survey of the Registered Proprietors' evidence reveals that the Registered Proprietors' "MARTINI" products (i.e. MARTINI Rosso, MARTINI Bianco, MARTINI Extra Dry, MARTINI Asti Spumante etc) are frequently sold *alongside* the "martini" cocktail at many food and beverage establishments in Singapore. The Registered Proprietors' goods are usually listed under the 'Aperitifs' section of the drinks menu. On the other hand, 'martini' cocktails are listed under the cocktails section.

104 Establishments which serve *both* the Registered Proprietors' "MARTINI" products as well as 'martini' cocktails range from restaurants and dining establishments (e.g. Amici, Brussels Sprouts, Catalunya, Enoteca L'Operetta, Esmirada @ Orchard, La Noce, La Villa, Michelangelo's, Modesto's, Nassim Hill, The Cliff, The Steak House, The Indochine Group) to exclusive hotel bars (e.g. Post Bar, The Fullerton Hotel and Axis Bar and Lounge, Mandarin Oriental Singapore, Swisshotel) to larger chains such as Harry's (which operates 26 bars which were strategically located in the city and business districts as well as at Changi Airport and in the suburban towns) and other bars/pubs (e.g. Boulevard Restrobar, Crazy Elephant, Dallas Restaurant and Bar, Muddy Murphy's, The Bank Bar and Bistro, The Exchange, and The Penny Black).

105 The Registered Proprietors submitted that faced with this evidence, the Applicants weakly contended, in paragraph 16 of the 2nd SD of MJE, that the menus [with both the Registered Proprietors' "MARTINI" and the 'martini' cocktails] "*only serves to heighten the confusion caused as it is not clear when the Martini term is used as a brand/mark and when it is used in a descriptive context*". This statement misses the point altogether.

106 The Registered Proprietors submitted that if the Registered Mark is (as alleged by the Applicants) descriptive of the Goods ie "*alcoholic beverages (excluding beers), including wines, spirits and liqueurs*", it would not be even possible to list the Registered Proprietors' "MARTINI" brand and the 'martini' cocktails on the *same menu*. The fact that so many food & beverage establishments sell both side-by-side is testament to the fact that:

- (a) there is a demand for the Registered Proprietors' "MARTINI" products (if not there would be no reason to put it on the menu);
- (b) the Registered Mark is distinctive and widely used in Singapore;

- (c) the Registered Proprietors have successfully maintained the distinction between their “MARTINI” products and ‘martini’ cocktails over the years;
- (d) the said distinction between “MARTINI” products and ‘martini’ cocktails is made by bartenders and restaurateurs (i.e. the trade) on the drinks menus; and
- (e) by reason of the above, consumers would be educated of the distinction between “MARTINI” as a badge of origin and ‘martini’ as a cocktail.

107 Further and in any event, the Registered Proprietors submitted that the evidence shows that food and beverage establishments clearly display “MARTINI” products behind bar counters or on serving trays (the SD of AL at [24]). This bolsters consumer awareness of the Registered Mark.

108 The third factor concerns the “*amount invested in promoting the mark*”.

109 The Registered Proprietors submitted that here, there are 3 aspects to the Registered Proprietors' evidence. First, the use of the “MARTINI” mark in relation to MARTINI TERRAZZA bars. Second, direct advertising and promotions. Third, sponsorship under the “MARTINI” mark.

110 The Registered Proprietors submitted that the MARTINI TERRAZZA bars are exclusive bars in the major cities of the world which played and play host to generations of famous personalities from show business and the arts, sportsmen, artists, politicians and royalty. The first MARTINI TERRAZZA bar opened in Paris in 1948 with a view on the Champs Elysees, and a MARTINI TERRAZZA bar was opened in London in 1964 with a view on Trafalgar Square. MARTINI TERRAZZA bars were also opened in Milan, Barcelona, Brussels, Genoa, Pessione and Sao Paulo.

111 More recently, the Registered Proprietors launched the modern "moving" MARTINI TERRAZZA bars. These moving MARTINI TERRAZZA bars are event specific, and are designed to be assembled on location during events that attract intense media attention, and feature branded interior decoration elements (bar, shelves, sofas, armchairs, tables, chairs, walls, etc.). These MARTINI TERRAZZA bars are open to personalities, journalists and special guests, such as the winners of consumer competitions.

112 The Registered Proprietors submitted that examples of event-specific MARTINI TERRAZZA bars are as follows: (a) the MARTINI TERRAZZA bar at the Venice film festival held every September; (b) the MARTINI TERRAZZA bar at Cannes, during the Festival du Cinema, which featured, *inter alia*, the *avant-premiere* of the movie Ocean's 13 and hosted actors such as George Clooney, Brad Pitt and Matt Damon; (c) the MARTINI TERRAZZA bar in Hanover Square, which was installed for 2 weeks in May/June 2007; (d) the MARTINI TERRAZZA bar that was installed for 10 weeks during the summer of 2007 at the O2 stadium in London.

113 The Registered Proprietors submitted that while there has never been a moving MARTINI TERRAZZA bar in Singapore, the Registered Proprietors' evidence is that such glamorous bars located in major cities and around international events would come to the attention of and would be known to well-travelled Singaporean consumers.

114 In relation to advertising and promotional activities, the Registered Proprietors' evidence in this regard is that in their early years, the development and internationalisation of

the "MARTINI" mark was supported by massive poster campaigns. From the 1920s onwards, Martini & Rossi consistently hired the most famous and imaginative artists to create these campaigns – including Dudovich, Cappiello, Riccobaldi and Testa. Some of the highlights of the collection were gathered together in a book called "Da Dudovich a Testa L'Illustrazione Pubblicitaria della Martini & Rossi". The Registered Proprietors also adduced evidence of global advertising campaigns dating from 1938 to 1980. These materials were drawn from the Registered Proprietors' historical archives.

115 Apart from the above, the Registered Proprietors also employ famous personalities in conjunction with their advertising campaigns, which underline the brand's association with style, glamour, sophistication and exclusivity. A list of celebrities and the corresponding advertisements in which they appeared is as follows.

- (a) Gwyneth Paltrow ("Hotel" and "Orange" commercials (shown in Italy), with an advertising spend in the region of €3 million in the period from April to October 2003);
- (b) Naomi Campbell ("MARTINI" campaigns, 1995 – 1996);
- (c) Sharon Stone ("MARTINI" campaigns);
- (d) Charlize Theron ("Mogul" campaign);
- (e) George Clooney ("No Martini, No Party", "The Beach", various TV advertisements in 2001, 2004, 2006 and 2007)

116 The Registered Proprietors submitted that the evidence shows that these advertisements are very popular with the public and many have taken on "cult" status. Evidence from the video-sharing website www.youtube.com for "MARTINI" advertisements shows that there are a large number of results. The Registered Proprietors submitted that this demonstrates that the general public enjoy sharing these advertisements with others. Therefore, although the advertisements were not specifically aired on television in Singapore, some of the relevant public here would no doubt have seen these videos on YouTube.

117 The last category of evidence under this factor relates to sponsorship under the "MARTINI" mark. Here, the evidence relates primarily to the "MARTINI RACING" mark, and the associated sky blue, blue and red stripes, together with the "MARTINI ball and bar logo" [i.e. the Registered Mark]. The Registered Proprietors submitted that the Registered Proprietors' "MARTINI" marks have received widespread publicity due to the aforementioned sponsorship of motorsport / motor racing activities (which have a huge following in Singapore and around the world).

118 The Registered Proprietors' evidence concerning "MARTINI RACING" and the use of the Registered Mark is set out at length at paragraphs 40 to 50 of the SD of BHS and will not be reproduced in full here. The pertinent points may be summarised as follows:

- (a) the formal association between "MARTINI" and racing dates back to 1970 – 1971 with the sponsorship of Porsche in the World "Marche" series in 1971;
- (b) since that time, the "MARTINI RACING" mark has appeared on racing vehicles and in connection with a wide range of motorsports merchandise;
- (c) some of the well-known racing vehicles that have been involved with "MARTINI RACING" are Porsche, Lancia, Alfa Romeo and Ford, many of which have experienced success over the years;

- (d) through the years 1999 – 2002, US\$7 million of sponsorship was provided, peaking at US\$2.2 million in 2001 alone;
- (e) these sponsorship activities have continued into the present;
- (f) in 2008, "MARTINI" celebrated its 40th anniversary of involvement in motor racing, making it the longest serving sponsor in the field;
- (g) from 2006 - 2008, "MARTINI" sponsored the Ferrari F1 racing team with world champion drivers Michael Shumacher, Kimi Raikkonen and Felipe Massa (the "MARTINI" mark was featured on the nose cone of the Ferrari racing car and on advertising hoardings around the relevant tracks).

119 Apart from motorsport, the Registered Proprietors submitted that they have sponsored sporting events and prizes in a number of events such as fencing, off-shore powerboat competition, and sailing. Outside of sporting events, "MARTINI" has also sponsored art exhibitions in Venice, New York, London, Naples and Turin.

120 Further, in keeping with the times, the Registered Proprietors have also taken an active role in promoting the "MARTINI" mark through social media network websites. At the time the Registered Proprietors evidence was filed, over 1 million Facebook users were recorded as having "liked" the "MARTINI" pages.

121 To briefly conclude, the Registered Proprietors submitted that they have clearly invested substantial amounts of money, time, and effort in promoting the mark over many years. The Registered Proprietors submitted that as a whole, the overwhelming weight of the evidence on this factor points towards a finding that the Registered Mark has acquired distinctiveness.

122 The Registered Proprietors submitted that the Applicants' criticism of the Registered Proprietors' evidence appears to be premised on the fact that not all of the evidence relates to Singapore. However, the Registered Proprietors submitted that it must be recalled that the Registered Proprietors' market is worldwide, and much of this information is available in mainstream media and on the internet. Further, the Registered Proprietors submitted that the public in Singapore is well travelled and would certainly have had exposure to the Registered Mark. After all, given the fact that we live in an era where the world is highly interconnected, such worldwide advertising and promotional efforts must have had a positive effect on the public in Singapore.

123 The fourth factor relevant to the distinctiveness inquiry relates to the "*proportion of the relevant class of individuals who identified goods sold under the mark as emanating from a particular source*". In relation to this, the Registered Proprietors referred again to their evidence relating to nature of use, market share, and advertising and promotion in relation to the Registered Mark. On a separate but related note, the Registered Proprietors submitted that they have also adduced decisions from various jurisdictions to the effect that "MARTINI" is a famous and well-known mark which are of persuasive value in the present case.

124 The fifth factor concerns "*statements from trade associations and chambers*".

125 The Registered Proprietors submitted that over and above the evidence set out in the foregoing paragraphs, there is one more aspect of the Registered Proprietors' evidence that must be taken into account – namely, the Power 100 survey reports for the years 2009 and

2010 for the category of “The World’s Most Powerful Spirits & Wine Brands”. The Registered Proprietors submitted that the reports should be given greater weight because, unlike specially commissioned surveys, the Power 100 survey is *independently* researched and produced, and is derived from views of industry experts. The Registered Proprietors submitted that it is manifestly clear from the 2009 and 2010 surveys that “MARTINI” is considered a market leader in its field.

126 In the 2009 survey, (a) "MARTINI" is listed as one of the biggest movers going up with a total score up 6% and a brand score up by 8%; (b) "MARTINI" is listed as fourth in the top ten growers between 2006 and 2009; (c) "MARTINI" is listed as the fourth most powerful brand by total score across all alcoholic drinks categories (and the success of the brand and dominance within its category is highlighted); (d) “MARTINI” sparkling wine is listed as the tenth most powerful sparkling wine brand; (e) "MARTINI" is listed as the most powerful light aperitif brand; (f) "MARTINI" is listed as the tenth most powerful brand by brand score; and (g) "MARTINI" is listed as the second most powerful brand by share of market, the fifth most powerful brand by brand awareness, the sixth most powerful brand by brand heritage and the seventh most powerful brand by market scope.

127 In the 2010 survey, (a) "MARTINI" is listed as the fourth biggest mover, going up 11 places over its competitors; (b) "MARTINI" sparkling wine is listed as the biggest riser by brand score with an increase change of 9% and the fourth biggest riser by rank with an increase change of 11%; (c) "MARTINI" is listed as fourth in the top ten of the most powerful alcoholic drinks brands; (d) "MARTINI" is listed as the most powerful light aperitif brand; (e) "MARTINI" sparkling wine is listed as the fifth most powerful sparkling wine brand; (f) "MARTINI" is listed as the fifth most powerful brand by share of market, the ninth most powerful brand by market scope and the ninth most powerful brand by brand awareness; and (g) "MARTINI" is listed as the fourth most powerful brand by total score, combining all previous scores together and across all alcoholic drinks categories.

128 To summarise, the Registered Proprietors submitted that the evidence of *independent* statements from the trade is overwhelmingly in the Registered Proprietors' favour

129 The Registered Proprietors submitted that it will be shown that the Applicants' evidence does *not* support a finding that the Registered Mark should be invalidated / revoked under the pleaded grounds.

130 The part of the Applicants' evidence relating to drinks menus and cocktail recipes has been dealt with above, and will not be repeated here.

131 One aspect of the Applicants' evidence relates to the dictionary definition of the word ‘martini’. On this point, the Applicants adduced 2 dictionary extracts: one from the online Merriam-Webster dictionary; and one from the Longman Dictionary of Contemporary English ("Longman"). Both extracts defined ‘martini’ as an alcoholic cocktail, usually made with gin or vodka, and vermouth.

132 However, the Registered Proprietors submitted that the Applicants omitted to include numerous dictionary references which contained reference to the Registered Proprietors' “MARTINI” mark. The Registered Proprietors have filed evidence compiled from several authoritative English dictionaries which contain entries referring to ‘martini’ as a trade mark for a brand of vermouth (see the SD of BHS at paragraph 56).

133 In relation to Google searches, both parties adduced evidence of internet searches on the popular Google search engine. The Registered Proprietors submitted that here, the parties' evidence differs. The Applicants' evidence is that if the parameters are changed to limit pages from Singapore, the top entries generated by Google are not in respect of the Registered Proprietors' "MARTINI" brand. On the other hand, the Registered Proprietors' evidence is that if the portal www.google.com.sg is used, the Registered Proprietors' "MARTINI" website (www.martini.com) shows as the second entry, and the "MARTINI" section of the Registered Proprietors' Bacardi Limited corporate website is listed as the seventh entry (see www.bacardilimited.com/our-brands/martini).

134 The Registered Proprietors submitted that common knowledge will inform that differing search parameters will have a large effect on the kinds of results that turn up in a Google search. There are also many other factors which affect how sites are ranked and the order in which they appear. The present case is one such example. The Registered Proprietors submitted that their websites are international, and would as such not turn up on a search limited to pages in Singapore only. In the premises, the Registered Proprietors submitted that the Applicants' internet evidence should not be accorded weight.

135 As for the existence of the "Martini Bar" at the Grand Hyatt Singapore, the Registered Proprietors submitted that the use of 'martini' in this context is in relation to hotel / bar services, and such use is outside of the scope of the goods for which the Registered Mark is protected. Further, the use of 'martini' as a bar does not in any way affect the ability of the Registered Proprietors' "MARTINI" trade mark to function as a trade mark and badge of origin.

136 Although movies such as "James Bond" may inform movie-goers of the existence of 'martini' cocktails, the Registered Proprietors submitted that this cannot be extrapolated into a finding that 'martini' equates to cocktail and not the Registered Proprietors' brand. Similarly, the use of 'martini' in movies does not in any way affect the ability of the Registered Proprietors' "MARTINI" to function as a trade mark and badge of origin.

137 In relation to the use of the word 'martini' in local newspapers, the Applicants undertook a review of Straits Times articles over the period from 1 January 1990 to 1 January 2013. By the Applicants' calculations, only 23 out of the 482 references to the term 'martini' referred to the Registered Proprietors' brand, whereas there were 207 references to the cocktail drink, 72 references to the cocktail glass, and 105 references to 'Martini' as a person's name.

138 The Registered Proprietors submitted that this evidence must be viewed in its proper context. Trade mark proprietors may choose to advertise their products or services in any number of ways. The Registered Proprietors do not advertise their "MARTINI" products in Singapore in the Straits Times. On the other hand, newspapers often feature lifestyle write-ups on cocktail bars. Consequently it is logical to expect that there would be fewer references to the Registered Proprietors' "MARTINI" Marks (which includes the Registered Mark) in the Straits Times as compared to references to 'martini' as a cocktail.

139 In addition, the Applicants has argued that whenever the term "MARTINI" was used in relation to the Registered Proprietors in the Straits Times, such use was always in conjunction with another distinctive name or brand, such as BACARDI MARTINI or MARTINI

BIANCO. The Registered Proprietors submitted that the use of “BACARDI” in connection with “MARTINI” supports, rather than undermines the Registered Proprietors' case. It illustrates that third parties associate “MARTINI” with the Registered Proprietors. As for MARTINI BIANCO, the Registered Proprietors submitted that the word “bianco” means white in Italian, just like the word “rosso” means red. They are used in a descriptive sense to delineate product lines, and are certainly not distinctive in nature.

140 The Applicants have also adduced evidence showing other uses of the word ‘martini’ in Singapore, particularly in relation to the name of a person.

141 The Registered Proprietors submitted that the existence of other uses of the word ‘martini’ or the fact that it may be a name for any given number of people does not change the way in which distinctiveness is to be assessed. As stated above, the distinctive character of a mark is to be assessed in relation to the goods or services involved and to the perception of the relevant consumers.

142 In this regard, the Registered Proprietors submitted that the following pronouncement of the European Court of Justice in *Nichols Case* at [26] is relevant:

“... stricter general criteria of assessment [of the distinctiveness of a mark] based, for example, on [factors such as] a predetermined number of persons with the same name, above which that name may be degraded as devoid of distinctive character, the number of undertakings providing products or services of the type covered by the application for registration, or the prevalence or otherwise of the use of surnames in the relevant trade, were therefore not to be applied”
(emphasis added)

143 The Registered Proprietors submitted that Applicants' evidence on this point must be seen in this light. Martini is an Italian name and any number of people may have this name. It does not follow that the Registered Mark, when used in relation to the specified goods, is not distinctive.

144 The Registered Proprietors submitted that to summarise, as a whole, the Applicants' evidence is critically insufficient to establish anything more than the mere fact that Singaporeans are aware that ‘martini’ cocktails exist.

145 The Registered Proprietors submitted that the next step is to relate the evidence and principles set out above to the specific grounds of invalidity to ascertain whether the Applicants have discharged their burden of proving the grounds of invalidation.

146 The Registered Proprietors submitted that Sections 7(1)(b) and 7(1)(c) are very closely related and will be dealt with together. In *Staywell* at [24], the Singapore Court of Appeal observed that distinctiveness “usually stands in contradistinction to descriptiveness”.

147 The Registered Proprietors submitted that the Applicants appear to have attempted, in their evidence, to equate ‘martini’ in the Singapore context with cocktails. However, this does not mean that the Registered Mark should be invalidated. The Registered Proprietors submitted the following 2 points.

148 First, this is not a case regarding the registration of “soap for soap”. Even if: (a) the term ‘martini’ describes a particular type of cocktail; and (b) cocktails fall in the category of alcoholic beverages, it does *not* follow that ‘martini’ is *descriptive of* alcoholic beverages in general. If one were to walk into a bar and ordered a whisky, or vodka, or rum, or gin, one would *not* be given a ‘martini’ cocktail. Similarly, if a consumer orders a ‘martini’ cocktail, he might be asked by the bartender whether he prefers gin or vodka in the cocktail.

149 Second, distinctiveness is not an all or nothing quality. It may more properly be seen as a spectrum rather than a fixed percentage that the mark must cross in order to be registered. The difference is one of degree. The Registered Proprietors submitted that here the observations of the English Court in *Philips v Remington* [1998] RPC 283 are pertinent:

“Now it is of course the case that a mark (particularly a word mark) may be both distinctive of a particular manufacturer and yet also convey something by way of a description of the goods – Mr Pumfrey gave “Weldmesh” for welded mesh as an example. The word denotes the welded mesh of a particular manufacturer (See WELDMESH Trade Mark [1966] RPC 220). But you can take this argument too far. There are words which are so descriptive that they cannot be trade marks – “soap” for “soap”. The difference is one of degree, but important nonetheless. There are degrees of descriptiveness ranging from the skilful but covert allusion to the common word for the goods. On the scale of distinctiveness you come to a point where a word is so descriptive that it is incapable of distinguishing properly, even if it does so partially”.

150 The Registered Proprietors submitted that on a related note, a distinctive trade mark can have a partially descriptive meaning. As the learned authors of *Kerly’s Law of Trade Marks and Trade Names (15th Ed, 2011)* (*Kerly’s 15 Ed*) note at [8-133]: “*Even in the context of the relevant goods or services, it has long been the case that a trade mark may be both distinctive and also convey something by way of a description for the goods or services.*” The Registered Proprietors submitted therefore that the existence of ‘martini’ cocktails, in and of itself, does not bar a finding that the Registered Mark is distinctive in relation to the Goods.

151 In *West (t/a Eastenders) v Fuller Smith & Turner plc* [2003] FSR 44, a question arose as to the distinctiveness of the mark E.S.B for beer. There was evidence that E.S.B stood for “extra special bitter” or “extra strong bitter”. The English Court of Appeal held that descriptiveness and distinctiveness were not mutually exclusive. A mark could be both distinctive (in that it communicated a message as to the trade origin of the goods to which it was applied) while simultaneously conveying a description of those goods. The English Court of Appeal thus upheld the Judge’s finding that E.S.B. possessed a secondary distinctive meaning in relation to beer.

152 To conclude, the Registered Proprietors submitted that the Registered Mark inherently does not say anything about the kind, quality, quantity, intended purpose, value, geographical origin, time of production of goods, or the characteristics of the goods of services. Even if some alcoholic goods (that is to say, cocktails) can be described as “martinis”, it does not follow that the term is descriptive of alcoholic beverages. In any case, the Registered Proprietors submitted that the Registered Mark has acquired distinctiveness in relation to the goods for which it is registered.

153 By reason of the above, the Registered Proprietors submitted that the Applicants have failed to discharge their burden of showing that the Registered Mark was registered in breach of Sections 7(1)(b) and 7(1)(c) of the Act.

154 In that same vein, the Registered Proprietors submitted that the Applicants have also failed to discharge their burden of showing, under Section 7(1)(d) of the Act, that the term ‘martini’ is generic and unregistrable in that it is a trade mark which consists exclusively of a sign that is customary in the current language or in the bona fide and established practices of the trade.

155 The Registered Proprietors submitted that the essence of the objection under Section 7(1)(d) is that the mark is generic and hence no longer capable of distinguishing the goods or services of different traders. The underlying public interest objective is that generic marks ought to be available for all traders because they are not capable of functioning as trade marks and do not deserve to be protected (*Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd* [2009] 2 SLR(R) 814 ("*Wing Joo Loong*") at [70] to [77]).

156 The Registered Proprietors submitted that having regard to the evidence set out above, their case is that the term ‘martini’ is not generic in relation to alcoholic beverages. The Registered Proprietors submitted that the authorities have treated this ground as being closely linked to Section 22(1)(c) of the Act, and they will address the overlapping points below.

157 The Registered Proprietors further submitted that, the Registered Mark has, over the years, maintained its capacity to act as a badge of origin. In the circumstances, the public interest of preserving generic marks is not undermined. The Registered Proprietors submitted that in any event, the Registered Mark has acquired distinctiveness through extensive user.

158 The Registered Proprietors submitted that, by reason of the above, the Applicants have failed to discharge their burden of showing that the Registered Mark was registered in breach of Section 7(1)(d) of the Act.

159 The Registered Proprietors submitted that, further and in the alternative, in the event the Registered Mark is found to be invalid by reason of any of the pleaded grounds (i.e. Sections 7(1)(b), 7(1)(c) or 7(1)(d) of the Act), an order may be made for partial invalidity on the basis of Section 23(9) of the Act. In this respect, the Registered Proprietors submitted that the specification of goods may be amended to state: “*alcoholic beverages (excluding beers and alcoholic cocktails), including wines, spirits and liqueurs*”. The Registered Proprietors submitted that the proposed amendment would address the contention that ‘martini’ may be descriptive and/or generic in relation to cocktails, while recognising that the Registered Mark is distinctive in relation to alcoholic beverages other than cocktails.

Decision on Section 23 read with Section 7(1)(b) – (c)

160 The applicable law in relation to Section 7, in particular, Section 7(1)(b) – (d) read with Section 23 in the local context is set out in the *Love Case* as follows:

53 The object of the assessment for “inherent distinctiveness” in relation to ss 7(1)(b), 7(1)(c) and 7(1)(d) is to determine whether the trade mark has ***intrinsic or inherent features or characteristics*** that are sufficiently unique to enable the intended mark to

immediately function (and not potentially function in the future through subsequent use by the promoter of the mark) as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader's goods or services to differentiate that trader's goods or services from those originating from other traders, who are operating in the same market place and environment in which that trade mark is supposed to function. If such intrinsic or inherent features or characteristics exist, then the trade mark escapes the objection to registration in ss 7(1)(b), 7(1)(c) and 7(1)(d) because it will then have an "inherent distinctive character". I re-emphasise that the assessment is made by examining the trade mark and its meaning (if any), **absent any consideration of its use, promotion or marketing by the promoter of the trade mark**, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date.

[Emphasis as underlined mine.]

Decision on Section 23 read with Section 7(1)(b)

161 In particular, in relation to the ground of invalidation under Section 23 read with Section 7(1)(b), the Court in the *Love Case* states at [58] - [60]:

58 As I have mentioned earlier, the question of whether a mark is devoid of distinctive character was dealt with in *British Sugar* ([53] *supra*) where Jacob J remarked:

What does devoid of any distinctive character mean? I think the phrase requires consideration of the mark on its own, ***assuming no use***. Is it the sort of word (or other sign) which *cannot do the job of distinguishing without first educating the public that it is a trade mark*? A meaningless word or a word inappropriate for the goods concerned ("North Pole" for bananas) can clearly do. *But a common laudatory word such as "Treat" is, absent use and recognition as a trade mark, in itself ... devoid of any distinctive inherently character.*

[emphasis in original omitted and emphasis added in italics and bold italics]

59 Counsel for the plaintiff also cited the case of *Linde AG, Windward Industries and Rado Uhren AG* (Joined Cases C-53/01, C54/01 and C-55/01, ECJ, 8 April 2003) whereby the court held at [40]–[41] that:

For a mark to possess distinctive character within the meaning of that provision it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from products of other undertakings ...

In addition, a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought, and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court's caselaw, that means the presumed

expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect ...

162 In this instance, the Registered Mark is as shown above in paragraph 1. It consists of the word "Martini" in bold white font with the device of a ball and a bar. As per the Registered Proprietors in their reply submissions at paragraph 37, it is not in dispute that the distinctive part of the mark is the word "Martini".

163 As per the *Love Case*, I will then have to assess, as at the date of registration, ie 18 April 2005, whether the Registered Mark can be said to be inherently distinctive. That is, is the Registered Mark the sort of mark which can do the job of distinguishing without first educating the public that it is a trade mark as at 18 April 2005? The answer will have to be answered in light of (i) the goods in respect of which the Registered Mark is protected for; (ii) the perception of the relevant persons, namely the consumers of the goods in question, who are reasonably well informed and reasonably observant and circumspect; and (iii) in the market place and environment in which the mark is supposed to function.

164 The goods in question are “*Alcoholic beverages (except beer), including wines, spirits and liqueurs*” ie the Goods. It is to be noted that the specification is rather wide and includes alcoholic beverages in general.

165 The relevant persons would be the relevant consumer of alcoholic beverages in Singapore. In this regard, I agree with the Registered Proprietors in their reply submissions at paragraph 30 as well as in their main submissions above, that the relevant public in this instance will include more than just the crowd who frequents bars, pubs, restaurants and other food and beverages establishments. I agree with the Registered Proprietors that the relevant section of the public includes consumers who would purchase alcoholic beverages whether over the retail store or via the internet. There is no evidence tendered as to the segregation of the market via the bars/pubs/restaurants versus the retail channel and thus I will not attempt to guess in relation to it. Nevertheless, I am of the view that the relevant consumer of alcoholic beverages in Singapore would include *both* the crowd who frequents bars, pubs, restaurants and other food and beverages establishments as well as consumers who would purchase alcoholic beverages, whether via a retail store or via the internet, and whether for personal consumption or as a gift.

166 What would the market place and environment be then in this regard? It would, following from the above, include *both* bars, pubs, restaurants and other food and beverages establishments as well as retail stores and the internet.

167 The quintessential definition of a "martini" cocktail is a cocktail made of essentially gin and vermouth – I refer the 1st SD of MJE at Exhibit 1 and in particular at page 5 which includes a page from the Longman. I also refer to the SD of BHS at paragraph 56 which includes a table of a summary of dictionary entries over a span of years. An excerpt is as follows:

S/N	Publisher	Date Published	Dictionary	Entry for "martini" cocktail	Entry for "martini" vermouth
1	Oxford	1979	Concise	Cocktail of gin,	

	University Press		Oxford Dictionary	French vermouth, orange bitters, etc [perh f. Martini and Rossi, It firm selling vermouth]	
2	Reader's Digest	1984	Great Illustrated Dictionary	A cocktail usually made of three or more parts of gin to one part of dry vermouth, sometimes with a dash of angostura bitters.	A trademark for an Italian vermouth.
3	Oxford University Press	1989	Concise Oxford Dictionary	A cocktail consisting of gin and vermouth.	...The proprietary name of a type of vermouth.
4	Harpers Collins Publishers	2006	Collins English Dictionary	A cocktail of gin and vermouth	<i>Trademark</i> an Italian vermouth
5	Chambers Harrap Publishers Ltd	2008	The Chambers Dictionary (11 th Edition)	A cocktail of vermouth, gin, bitters etc, perh named after its inventor	...a type of vermouth made by the firm of Martini and Rossi

168 However, over the years, the "martini" cocktail has evolved. I refer to the 1st SD of MJE at Exhibit 2 at page 18 which is an article entitled "The Martini FAQ" dated 25 May 2004:

Q: What is a Martini?

A: Do you want the short answer or the long answer?

Q: The short one first, please.

A: A Martini is a cocktail containing unequal portions of gin and dry vermouth served chilled, in a conical stemmed glass, garnished with either a green olive or a lemon twist.

Q: OK, I'm ready for the long answer now.

A: ...

The long answer is that, amongst others, a workable definition is "a short drink made with either gin or vodka and served straight up, in a Martini glass". I also refer to the 1st SD of MJE at Exhibit 2 at page 42 which is an article entitled "The Classic Martini – A brief history" dated 4 May 2005:

Most people think that anything served in a long-stemmed "V" shaped glass is a martini. To purists, a martini is gin and vermouth – nothing more, nothing less. Or is it?

The modern definition of a classic martini is gin or vodka, a splash of dry vermouth...

Perhaps the popularity of the martini has more to do with the marketing of gin by liquor companies during the 1950s, and vodka in the 1970s. Product placement in movies and celebrity endorsement played an important role...But perhaps no real or fictional character has done as much for the classic martini as James Bond.

[Emphasis as underlined mine]

169 Finally, I refer to the 1st SD of MJE at Exhibit 6 in particular at page 1251 which is a page on Wikipedia in relation to Martini (cocktail):

Some newer drinks include the word martini or the suffix “-tini” in the name (eg, appletini, peach martini, chocolate martini, espresso martini). These are simply named after the cocktail glass they share with the martini and do not share any ingredients in common.

Importantly, I refer to the 1st SD of MJE at Exhibit 5B at page 947 which is a Straits Times article dated 3 August 2001 entitled "Get shaken & Stirred":

James Bond may prefer this shaken, not stirred, while martini drinking purists will want theirs with gin and topped with the quintessential olive.

But with the new martini renaissance sweeping Singapore, you can practically have these slinky lovelies in almost any flavour, from Irish cream to ice wine.

No longer sacred is the traditional martini mixture of about four parts gin or vodka to one part vermouth.

As far as today's nouveau martinis go, the only semblance to classic martini recipes is the martini glass itself.

[All emphasis as underlined mine]

The above is borne out from the menus of various food and beverages establishments across the island - see below.

170 I refer to the SD of LAAPP at Exhibit 6 at the following pages:

- (i) Pages 174 to 185 - It shows the menu of Post Bar. In particular, I refer to page 175 where there is a "Martini Station". The 1st entry, which is called "Classic Martini" describes the ingredients as "a unique blend of gin or vodka, a dash of martini extra dry, lemon twist or olives, served to your liking." The 3rd item in the menu, called the "Breakfast Martini" has the following ingredients "Combination of gin, orange curacao, served in a chilled martini glass washed with marmalade and orange juice". The 4th item in the menu, called "Blossom Martini" has the following ingredients "Sake, shaken with cointreau, vermouth and a dash of lemon juice. Served straight up in a chilled martini glass." The 5th item called "Espresso Martini" has the following ingredients "...mix of vanilla vodka, freshly brewed espresso and splash of butterscotch shaken and served straight up in a chilled martini glass".

- (ii) Pages 189 to 198 consist of the menu from Axis bar/pub. Page 192 has a section on "Martinis". Again the 1st entry is the "Classic Martini" and the ingredients are "Gin or vodka, dry vermouth". The 2nd item is "Lychee [Martini]" and the ingredients are "Vodka, lychee liqueur, lychee". Last but not least, the 3rd item "Classic Espresso [Martini]" has the ingredients "Vanilla vodka, espresso, Frangelico, chocolate". The 8th item is "Pomengranate Power" and the ingredients are "Lemon vodka, Grand Marnier, pomegranate liqueur, lemon juice".
- (iii) Pages 221 to 230 consist of the menu for Introbar. At page 222, it refers to "Fruit Martini":

For a fresh fruit burst, try our Fruit Martinis. We take fresh fruit, dice and muddle it with a dash of sugar then smash it with Russian Standard Vodka before serving with a dash of Cocktail Bitters in a chilled martini glass.

- (iv) Page 352 to page 360 shows the menu from Boulevard Restrobar. At page 355 there is a section called "Premium Maritini". The 1st item "Cosmopolitan" has the ingredients "absolut vodka, triple sec, cranberry". Item 3 is called "Manhattan: and has the ingredients "jack daniel, dry vermouth, sweet vermouth, dash of bitters". Item 9 is called "Stawberry Martini" and has the ingredients "tequila rose, baileys, dash of grenadine". Item 11 is called "White Chocolate Martini" and has the ingredients "ketel one vodka, white cacao, cream".

More recipes of the "martini" cocktail with variant ingredients can be found at Exhibit 10 of the 2nd SD of MJE.

171 The above bares out the fact that (i) "martini" as a cocktail is ever evolving; (ii) in recent years, these drinks are simply named after the cocktail glass they share with the classic "martini" cocktail and do not share any ingredients in common. And perhaps, as per the article at Exhibit 2 of the 1st SD of MJE, "The Martini FAQ", at page 19:

...In truth, there has never been a single definitive version of the Martini; it was born through variations of earlier, similar cocktails; the earlier recorded recipes differ significantly from each other and even more greatly from the classic American Dry Martini; and continuous - sometimes radical - modification of the basic recipe has been part of the drink's identity and appeal throughout its history...

172 I next refer to paragraphs 18 and 19 of the 1st SD of MJE. In particular, I refer to the table in paragraph 19. Before 18 May 2005, there were 62 references to "martini" as a generic cocktail drink. On the other hand, there are only a total of 8 references to "martini" as a brand name. I accept the Registered Proprietors' point that they do not advertise in the newspapers which may explain why there are few references to "martini" as a brand. The Registered Proprietors are free to choose their mode for promoting their brand. All I am saying is that, the Straits Times, being one of the major newspapers in the mainstream media in Singapore, is a good general indicator of the kind of information being fed to the public, which would include the consumers of alcoholic beverages. Such information would appear to popularise the idea that "martini" refers to a generic cocktail drink.

173 There is also the internet. In this regard, I am of the view that it is not realistic to limit the pages to those from Singapore only. Thus I am of the view that the search results as per Exhibit 33 of the SD of BHS at page 788 would be a more accurate version of a search result from the internet using the term "Martini". However, even then, I note from the search results that while the Registered Proprietors' website is the second entry, the top hit is really a Wikipedia page in relation to the "martini" cocktail. Further, out of the total of 11 entries on the 1st page of the search results, only 2 relate to the Registered Proprietors. The rest of the entries relate to "martini" cocktail and "martini" bars in Singapore.

174 I refer again to the 1st SD of MJE at Exhibit 5B at page 947 which is a Straits Times article dated 3 August 2001 entitled "Get shaken & Stirred" above, wherein it is indicated that there is a "new martini renaissance sweeping Singapore". It is no surprise then that there is a burst of "martini bars" that is, bars selling the "martini" cocktails in the local scene. I refer to the 1st SD of MJE at Exhibit 4 at page 128 and it is a page from the "I-S" magazine, entitled "Top 10 Martini Bars in Singapore" introducing, as the title suggests, the top bars serving the best "martini" cocktails on the island. It would be apparent that this state of affairs has been as such since 2004 - it is noted at the end of the article, at page 130 of the Exhibit 4 of 1st SD of MJE, it reads "Copyright © 2004-2012 Asia City Online Ltd". I also note that this article is listed as the 10th entry on the internet search results referred to above at Exhibit 33 of the SD of BHS at page 789.

175 One of the top 10 "martini bars" as listed in the I-S magazine above is the "Martini Bar @ Mezza9" which is housed at Grand Hyatt, an exclusive hotel, which serves a large selection of "martini" cocktails. I refer again to page 947 of the 1st SD of MJE at Exhibit 5B, an article in the Straits Times dated 3 August 2001 entitled "Get shaken & Stirred":

At the Mezza9 Martini Bar, 30 flavoured martinis are available...Daniel Chua, the bar's beverage manager, says it sells about 300 to 400 martinis a weekend.

It is clear from the above that the Martini Bar @ Mezza9 was already in operation in the year 2001. I also note that the reference to the Martini Bar on the Grand Hyatt website is listed as the 11th entry on the internet search results referred to above at Exhibit 33 of the SD of BHS at page 789.

176 I note the Registered Proprietors' submission that the existence of the "Martini Bar" at the Grand Hyatt Singapore, that is, the use of "martini" in relation to bar services is outside of the scope of the goods for which the Registered Mark is protected. However, the point is, the existence of the Martini Bar, which is housed in Grand Hyatt, an exclusive hotel, serving a great variety of "martini" cocktails would, again, popularise the idea that "martini" refers to a generic cocktail drink.

177 I also refer to the 1st SD of MJE at paragraph 23. I agree with the Applicants that the use of "martini" to refer to a generic cocktail drink in popular movie culture, in particular the James Bond series, would have influenced the general crowd, including the alcohol drinking crowd, to understand "martini" as a generic cocktail.

178 I refer in particular to Exhibit 6 of the 1st SD of MJE. In the series, Bond's signature drink is a vodka "martini" cocktail (Exhibit 6 of the 1st SD of MJE at page 1259). I also refer to Exhibit 6 of the 1st SD of MJE at 1253 where it is explained that "shaken, not stirred" is a catch phrase of Bond and his preference for how he wished his martini prepared:

The phrase...It was first uttered in the films by Sean Connery in Goldfinger in 1964 (although the villain Dr. Julius No offers this drink and utters those words in the first film, Dr No, in 1962). It was used in numerous Bond films thereafter, with the notable exceptions of You Only Live Twice, in which the drink is offered stirred, not shaken...and Casino Royale, in which Bond, after losing millions of dollars in a game of poker, is asked if he wants his martini shaken or stirred and snaps, "Do I look like I give a damn?"

The American Film Institute honoured *Goldfinger* and the phrase on 21 July 2005 by ranking it number 90 on a list of best movie quotes in the past 100 years of film. The popularity of the Bond series and the catch phrase is obvious.

179 For the current case, it is irrelevant whether the phrase “shaken, not stirred” was uttered by Bond himself or not. Nor does it matter that the phrase may have been uttered in slightly different variations. The point is, whenever "martini" is referred to in combination with Bond, or the phrase "shaken, not stirred" (in variations thereof) is referred to, the vodka "martini" would be brought to the mind of the reader. This would have, again, influenced the general crowd, including the alcohol drinking consumers, in understanding "martini" as a generic cocktail drink. Such references have appeared in the Straits Times over the years. And regardless of the context of the article, whether it is specifically about the James Bond series itself (see the article dated 15 November 2002 at page 920 of Exhibit 6) or whether it is about feminism (see the article dated 1 December 2002 at page 915), the point is that the Bond movie series have made a significant impact in making "martini" being understood as a generic cocktail drink.

180 In light of all of the above, I am driven to conclude that the Registered Mark is devoid of distinctive character for the Goods and as such the objection under Section 23 read with Section 7(1)(b) is made out.

Decision on Section 23 read with Section 7(1)(c)

181 In relation to this objection, the Court in the *Love Case* has this to say at [70] and further at [80]:

70 *Kerly* ([35] *supra*) at para 8-080 explains the rationale behind s 7(1)(c): The purpose of this ground of objection is to prevent the registration of signs which are descriptive of the goods or some characteristic of them. These descriptive marks are excluded from registration because they consist of signs or indications which honest traders either use or may wish to use without any improper motive.

A mark must be refused registration under s 7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: (*DOUBLEMINT Case* R216/1998-1, OHIM (Bd App) at [32]). It does not matter that there are other synonyms, other more usual signs or indications which can also serve to designate the same characteristic or other characteristics of the goods or services as s 7(1)(c) does not prescribe that the mark under examination should be the only way of designating the particular characteristic in question: (*Kerly* at para 8-082). The characteristic of a particular good or service includes “*the kind, quality, quantity, intended purpose, value, geographical origin, the time of production or the goods or*

of rendering of services, ... ” as enumerated under s 7(1)(c). Section 7(1)(c) has a sweep-up limb to it that is very broad in that the trade mark must also not consist exclusively of signs or indications, which may serve in the trade to designate any “... *other characteristics of goods or services*”.

...

80 Paragraph 8-098 of *Kerly* is pertinent:

... in later judgments, the ECJ has emphasised that the freedom to use such indications applies irrespective of how significant the characteristic may be commercially:

It is also *irrelevant whether the characteristics* of the goods or services which may be the subject of the description *are commercially essential or merely ancillary*. The wording of Article 3 (1)(c) of the Directive does not draw any distinction by reference to the characteristics which may be designated by the signs or indications of which the mark consists. In fact, in the light of the public interest underlying the provision, any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially. *POSTKANTOOR*, para.102.

[emphasis added in bold italics]

182 It is to be remembered that as per the *LOVE Case* at [53], the relevant principles are:

I re-emphasise that the assessment is made by examining the trade mark and its meaning (if any), absent any consideration of its use, promotion or marketing by the promoter of the trade mark, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date.

183 The Registered Mark is as shown above in paragraph 1. As stated above, it is not in dispute that that the distinctive part of the mark is the word "martini". I also note that as per *Kerly's 15 Ed* at 8-090:

(11) "*exclusively*" requires a purposive approach.

184 The relevant goods in this case are alcoholic beverages in general. It bears repeating that the particular specification in this case is:

Alcoholic beverages (except beer), including wines, spirits and liqueurs.

The average discerning consumer in this instance has already been described above and he is one who is reasonably well informed and reasonably observant and circumspect. Further, I have already expressed my opinion above that the relevant public in this instance will be both the crowd who frequents bars, pubs, restaurants and other food and beverages establishments as well as the consumers who would purchase alcoholic beverages whether over the retail

counter or via the internet. It then logically follows that the marketplace will include both the bars/pubs as well as the retail market/internet.

185 The general environment has also been described above. The starting point would be the ever evolving definition of the "martini" cocktail since its inception which dates back to the 1900s until today where the concoction of the "martini" cocktail includes a wide variety of alcohols, the only unifying factor for such drinks being that they are served in a "martini" glass.

186 Then there is the widespread reference to "martini" as a generic cocktail drink rather than as a brand in the mainstream media, notably the Straits Times and the internet. The popularity of the "martini" cocktails on the island is evidenced by the spurt of bars which serves the "martini" cocktails, which includes, in particular, the Martini Bar at the Grand Hyatt. Finally there is the iconic Bond movie series which would have popularised the idea of "martini" being a generic cocktail drink, the character, James Bond's favourite drink being the vodka "martini" and his peculiar preference to have his vodka "martini" "shaken, not stirred", a phrase which has been touted as one of the best movie quotes.

187 Against the backdrop of the market place and environment described above, under Section 7(1)(c), a mark must be refused registration if at least one of its possible meanings designates a characteristic of the goods concerned. It does not matter that there are other synonyms, other more usual signs or indications which can also serve to designate the same characteristic or other characteristics of the goods. It is also irrelevant whether the characteristics of the good which may be the subject of the description are commercially essential or merely ancillary. The characteristic in this particular instance is, as per the reply submissions of the Applicants, the intended purpose of goods and in this case, the intended purpose of each of the alcohol type in the specification to be used in making the "martini" cocktail.

188 As stated above, the definition of the "martini" cocktail is ever changing and that the concoction has since included a wide variety of alcohol types. In this regard, I note *Kerly's 15 Ed* at 8-090:

...It is not necessary that such descriptive terms are actually in use, it is sufficient that such signs and indications could be used to designate a characteristic of the good...

189 I am also mindful of the caution in *Nichols Application* as per the submissions of the Applicants above, that:

*"The problem with saying "registration will not harm the public: if a third party wants to use the mark descriptively he has a defence" is this: that in the practical world powerful traders will naturally assert their rights even in marginal cases. **By granting registration of a semi-descriptive or indeed a nearly-but-not-quite-completely descriptive mark one is placing a powerful weapon in powerful hands. Registration will require the public to look to its defences. With such words or phrases the line between trade mark and descriptive use is not always sharp. Moreover, it must not be forgotten that the monopoly extends to confusingly similar marks. In any marginal case defendants, SMEs particularly, are likely to back off when they receive a letter before action. It is cheaper and more certain to do that than stand and fight, even if in principle they have a defence.**" [Emphasis added]*

In fact, I note the endorsement of the approach in *Kerly's 15 Ed* at 8-090:

(10) *The existence of a specific defence...does not limit the scope of [Section 7(1)(c)]. In fact, the existence of the defence discloses the need for [Section 7(1)(c)] to be applied to any sign which may designate a characteristic of the goods...for which registration is sought...*

[Emphasis as underlined mine].

190 In light of all of the above, I am of the view that the ground of invalidation under Section 23 read with Section 7(1)(c) has been made out.

Decision on Section 23 read with Section 7(1)(d)

191 In relation to this ground, the Court in *Wing Joo Loong* states as follows at [70] – [76]:

70 With regard to s 7(1)(d) of the current TMA, the Plaintiff's argument is that, at the date of the application by Qinghai Meheco (the First Defendant's predecessor in title and the original registrant of the Opposed Mark) to register the Rooster Sign as a trade mark in Singapore, it was customary in the cordyceps trade to use the Rooster Sign to denote cordyceps from the PRC. Accordingly, the registration of the Opposed Mark should be invalidated under s 23(1), which provides for invalidation of the registration of (*inter alia*) trade marks "which consist exclusively of signs or indications which have become customary in the current language or in the bona fide and established practices of the trade" (*per* s 7(1)(d)).

71 There is little authority on what the phrase "customary in the current language or in the bona fide and established practices of the trade" in s 7(1)(d) of the current TMA means. Indeed, as the Judge observed, there are no *binding* authorities, although there are good *persuasive* authorities (see [27] of the Judgment).

72 In *Hormel* ([51] *supra*), the English High Court, in construing s 3(1)(d) of the English Trade Marks Act (which is similar to s 7(1)(d) of the current TMA), held that the essence of the objection embodied in the provision was as follows (at [155]):

Section 3(1)(d) implements Art. 3(1)(d) of the [European Trade Marks] Directive and corresponds to Art. 7(1)(d) of [EC Council Regulation 40/94]. Article 3(1)(d) was considered by the [ECJ] in Case C-S 17/99 *Merz & Krell GmbH & Co v Deutsches Patent-und Markenamt* [2001] E.C.R. 1-6959. The Court held that [Art 3(1)(d)] was to be interpreted as only precluding registration of a mark where the signs or indications of which the mark was exclusively composed had become customary in the current language or in the bona fide and established practices of the trade [for designating] the goods or services in respect of which registration of the mark was sought. It also held that it was immaterial for this purpose whether or not the sign in question was descriptive. Thus *the essence of the objection is that the sign is generic either amongst the general public or amongst the trade*.

[emphasis added]

73 Similarly, in *Alcon Inc v Office for Harmonisation in the Internal Market* [2005] ETMR 69, the ECJ stated (at [29]) that the principle underlying Art 7(1)(d) of EC Council Regulation 40/94 (which is *in pari materia* with s 7(1)(d) of the current TMA) was that:

[S]igns or indications constituting a trade mark which have become customary in the current language or in the bona fide and established practices of the trade [for designating] the goods or services covered by that mark *are not capable of distinguishing the goods or services of one undertaking from those of other undertakings and do not therefore fulfil the essential function of a trade mark* – unless the use which has been made of those signs or indications has enabled them to acquire a distinctive character ... [emphasis added]

74 Likewise, Lionel Bently & Brad Sherman, *Intellectual Property Law* (Oxford University Press, 2nd Ed, 2004) (“Bently & Sherman”) comments on s 3(1)(d) of the English Trade Marks Act as follows (at p 833):

While the scope of the section has yet to be fully explored, it seems that it will cover so-called ‘generic’ marks. A mark, particularly a name mark, is generic if though when it was first adopted it was distinctive, over time it has come to designate a genus or type of product rather than a particular product originating from a particular source. ... *One of the features of a generic mark is that it is no longer capable of distinguishing the goods or services of different traders*. Where a word comes to describe a class of products, it can no longer be relied upon to separate the products in the class from each other.

75 In *Merz & Krell GmbH & Co* [2002] ETMR 21 (“*Merz & Krell*”), the applicant’s application to register the word “Bravo” in respect of writing implements was rejected by the German Patent and Trade Mark Office on the ground that “the word BRAVO [was], for the class of persons to whom it [was] addressed ... no more than a word of praise and an advertising slogan devoid of any distinctive character” (at [10]). The issue before the ECJ was whether Art 3(1)(d) of the European Trade Marks Directive (which is similar to s 7(1)(d) of the current TMA) was to be interpreted restrictively such that “only signs or indications which directly describe[d] the specific goods or services in respect of which registration [was] sought, or the essential characteristics or features thereof, [were] affected by the bar to registration” (see *Merz & Krell* at [16]). The court opined that Art 3(1)(d) was concerned with prohibiting registration on the sole condition that the mark had become customary and it was *immaterial* whether the mark was descriptive of the characteristics of the goods or services in question, stating (at [26] and [28]–[29]):

26 Under Article 3(1)(d) of the [European Trade Marks] Directive, trade marks which consist exclusively of signs or indications which have become customary in the current language or [in] trade practices are to be refused registration.

...

28 *The purpose of Article 3(1)(d) of the [European Trade Marks] Directive is to prevent the registration of signs or indications that are not capable of*

distinguishing the goods or services of one undertaking from those of other undertakings and so do not satisfy the criterion laid down in Article 2 of the Directive [viz, the European equivalent of the definition of ‘trade mark’ in s 2(1) of the current TMA].

29 The question [of] whether particular signs or indications possess distinctive character cannot, however, be considered in the abstract and separately from the goods or services [which] those signs or indications are intended to distinguish.

[emphasis added]

76 Applying a similar approach to the interpretation of s 7(1)(d) of the current TMA in the present case, the Rooster Sign, although not descriptive of any characteristic of the subject goods (*ie*, cordyceps), would have become customary if it has become incapable of distinguishing the cordyceps of one undertaking from those of other undertakings...the... concept of a trade mark’s capacity to distinguish (*ie*, the concept embodied in s 7(1)(d)) allows the use made of the trade mark in question to be taken into account for the purposes of determining whether that trade mark has become customary (see, *eg*, the decision of the English High Court in *West v Fuller Smith & Turner Plc* [2002] FSR 55). As stated in *Morcom et al* ([52] *supra*), s 3(1)(d) of the English Trade Marks Act (which is *in pari materia* with s 7(1)(d) of the current TMA) “is intended to enable applications ... for signs *which have become generic or [which] have come into general use in the trade ... to be refused*” [emphasis added] (at para 5.81).

192 Further, the *Love Case* states at [82] – [87]:

82 *Kerly* at para 8-101 states that the rationale of s 7(1)(c) and s 7(1)(d) is to prevent the “registration of those signs or indications which honest traders customarily use in trade-signs which are generic”.

83 In relation to s 7(1)(d), *Kerly* at paras 8-102 and 8-113 states that:

[8-102] ... The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence. The challenge with these grounds is to compile a sufficiently convincing body of evidence.

[8-113] ... [F]rom what the ECJ has said already: Art.3(1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art.3(1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks and therefore do not deserve to be protected. Expressing the underlying public interest in these terms serves to emphasise that these provisions set a high hurdle. Not only must the mark consist *exclusively* of generic matter, but the fact of genericism must be

established. Bearing in mind the primary role of 3(1)(d)/7(1)(d) are to prevent traders seeking to monopolise terms which are already generic, the fact of genericism can usually be demonstrated.

84 In relation to s 7(1)(d), it is legitimate to take into account materials published **after** the relevant date to determine the fact of genericism, provided it is clear how the materials are to be used as evidence by the court and provided it is clear where the focus of the objective analysis should be. To determine whether the trade mark itself has become customary in the current language of the trade, the main focus should be on the perception (viewed as at the relevant date) of the average discerning consumer. However, to see if the trade mark has become customary in the *bona fide* established **practices of the trade**, the principal focus should be on the perception (again as at the relevant date) among the body of traders. It must be borne in mind that the perception of the body of traders may in turn be influenced and be affected by the perception of the average consumer and *vice versa* because of the close interaction between traders and consumers all the time. When determining “customariness”, it does not matter whether the signs or indications constituting the trade mark describe the properties or the characteristics of those goods or services to which the trade mark relates.

85 The next question that comes to mind is how one is to take into account materials after the relevant date to determine facts as they exist at the relevant date? *Kerly* at paras 8-106–8-107 has answered that question as can be seen below in bold:

In *BSS Alcon*) [*sic*] the ECJ had to consider the equivalent provision in Article 7(1)(d) of the CTM Regulation in relation to the mark “BSS” ... The subsidiary points which arose concerned (a) the use of materials published after the date of application and (b) the use of materials published outside the EU.

The ECJ:

(1) confirmed that the date of filing of the application was the material date...;

(2) adopted the common sense view that it was legitimate to take account of materials published after the relevant date in so far as they **‘enabled the drawing of conclusions on the situation as it was on that date’**...;

(3) again adopted the common sense view that materials published outside the EU could shed light on the issue whether the relevant class of persons (in that case the “scientific community”) in the EU regarded the term BSS as customary.

[emphasis added in bold italics]

86 In *Alcon Inc v OHIM* (Case C-192/03), Alcon had registered the term “BSS” in respect of “ophthalmic pharmaceutical preparations; sterile solutions for ophthalmic surgery” in class 5. The applicant sought to invalidate this registration on the basis that “BSS” stood for “balanced salt solution” or “buffered saline solution”. There was

evidence that the letters BSS were used in both English and German to designate an ophthalmic pharmaceutical preparation. OHIM therefore invalidated the mark pursuant to Art 7(1)(d) of Rg 40/94. On appeal to the ECJ, Alcon argued that OHIM had incorrectly taken into account documentary evidence *postdating* the registration and documentary evidence published in the United States – *ie*, outside the European Union. On the first point, the ECJ held at [41]:

[T]he Court of First Instance *could* without inconsistency in its reasoning or error of law *take account of material* which, although *subsequent to the date of filing the application*, enabled the drawing of conclusions on the situation ***as it was on that date***. [emphasis added in italics and bold italics]

87 It is noted that the ECJ also took a commonsense approach to the issue of documentary evidence published outside the relevant jurisdiction. The ECJ opined that materials published outside of the EU could shed light on the issue of whether the relevant class of persons regarded the term as customary...

[Emphasis as underlined mine].

193 Given my decision above in relation to Section 23 read with Section 7(1)(b) and (c), the decision on the ground of objection under Section 23 read with Section 7(1)(d) is academic. As per *Kerly's 15 Ed* at 8-057, while each ground of refusal or invalidity operates independently of the others and calls for separate examination, the applicability of any one of the separate grounds is sufficient to prevent registration.

194 In the event that I am wrong, I am of the view that this ground of objection under Section 23 read with Section 7(1)(d) has been partially made out for the following reasons.

195 It is re-iterated that, as per the *LOVE Case* at [53], the relevant principles are:

*I re-emphasise that the assessment is made by examining the trade mark and its meaning (if any), **absent any consideration of its use, promotion or marketing by the promoter of the trade mark**, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date.*

196 The relevant consumer, market place and environment have been discussed at length above and will not be repeated here. Of particular importance to this specific objection is the fact that while the definition of "martini" cocktail in various dictionary entries throughout the years is "a cocktail made of gin and dry vermouth" with the "modern" definition of a classic "martini" being "gin or vodka, a splash of vermouth" the "martini" cocktail has morphed into a drink which is more than what is defined in the dictionaries and the different articles. Again it has been shown above that the menus of the different food and beverage establishments across the island are full of examples of "martini" cocktails of different concoctions using different types of alcoholic beverages. It would appear that the one and only single unifying factor is that the drinks are all served in a "martini" glass.

197 The above is to be viewed in the light of the prevalent use of "martini" to refer to a generic alcoholic cocktail drink in, amongst others, the newspapers, internet and movies etc. I am cognisant of the fact that there is a need to compile a sufficiently convincing body of evidence to establish this ground, but I am of the view that in the current case, the fact of genericism has been made out. So if I go to a food and drink establishment and ask for a martini, what would I get? Would I get a cocktail made of gin and vermouth *per se*? Or would I get a drink made of gin or vodka with a splash of vermouth? But certainly, I would get an alcoholic cocktail served in a "martini" glass.

198 In light of all of the above, I am of the view that the objection under Section 23 read with Section 7(1)(d) has been partially made out in that the Registered Mark is generic for "cocktails served in a 'martini' glass". But as mentioned, above, having regard to my decision in relation to Section 23 read with Section 7(1)(b) and (c), the partial success under this ground is largely academic and as such there is no need to delve into the mechanics of how the specification should be restricted.

Decision on Section 23(2)

199 In relation to this limb, the Court in the *Love Case* stated at [91] – [94] and [101]:

91 Having determined that the simple “LOVE” mark ought to have been refused registration under ss 7(1)(b) and 7(1)(c), the next issue is whether s 23(2) of the TMA is applicable. Here, the notion of “acquired distinctiveness” and “*de facto* distinctive character” becomes important for which I find the case of *Windsurfing Chiemsee Produktions- und Vertriebs GmbH v Boots- und Segelzubehor Walter Huber and Franz Attenberger* [1999] ETMR 585 (ECJ) (“*Windsurfing Chiemsee*”) to be particularly instructive. The ECJ considered the test for and the evidentiary requirements of “acquired distinctiveness.” Although this case was in the context of geographical indications, the same principles should apply generally.

92 The test of acquired distinctiveness is stated as follows at [54]:

... if the competent authority finds that a *significant proportion* of the relevant class of persons identify goods as originating from a particular undertaking *because of the trade mark*, it must hold the requirement for registering the mark to be satisfied ... [emphasis added]

93 Helpful evidentiary requirements are detailed at [49]–[52]:

In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

...

In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: *the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in*

promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.

If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied.

[emphasis added]

94 It is very much a question of fact therefore whether or not a *de facto* distinctive character exists, and whether or not acquisition, erosion or loss of an acquired distinctiveness has indeed occurred. In my view, the causal factors affecting the extent of the difficulty in acquisition of *de facto* distinctiveness or the extent of the erosion or loss of *de facto* distinctiveness are not limited only to trade mark use of that mark (or closely similar marks) in question by other traders, but can also arise from non-trade mark use of that mark (or closely similar marks) by others in the same trade. Of course, the effects are stronger when it is through trade mark use by others but weaker when it is through non-trade mark use by others. Therefore, the court in its evaluation of the presence or existence of *de facto* distinctiveness in an inherently non-distinctive mark has to take into consideration:

(a) all the relevant facts and circumstances, including the prevalence of the wide variety of actual trade mark and non-trade mark use, promotion and advertising by other traders of the same mark or similar marks with similar attributes by other traders, and all other relevant actions by other traders of similar goods and services, which have the effect of eroding the general perception of the average discerning consumer linking the inherently non-distinctive trade mark in question to the identity of the originator of the goods or services on the one hand; and

(b) on the other hand, all the relevant actions by the promoter of the trade mark in using the trade mark in question constantly as its badge of commercial origin, by inscribing the mark invariably on all their goods, by extensively and intensively promoting, advertising and educating the average discerning consumer of the promoter's trade mark, in taking relevant enforcement action for passing off and in taking enforcement action against infringers to protect its registered trade mark (whether or not registered correctly or erroneously), all of which have the opposite effect of shoring up the perception in the eyes of the average discerning consumer that the inherently non distinctive trade mark in question must be associated with and must have originated from that trader who has been intensively and extensively using, promoting and advertising the trade mark in question in relation to those goods or services of his

...

101...Whether the defence is available is a question of fact to be answered from the perspective of the average discerning consumer. For the purpose of s 23(2), evidence of use is not limited to that after registration. It includes use (if any) prior to registration.

[Emphasis as underlined mine].

200 In light of the above, the following principles can be gleaned:

- (i) In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus distinguish that product from goods of other undertakings.
- (ii) In this regard, in assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.
- (iii) If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Section 23(2) is satisfied.
- (iv) Therefore, it is very much a question of fact whether or not a *de facto* distinctive character exists, and whether or not acquisition of an acquired distinctiveness has indeed occurred.
- (v) The causal factors affecting the extent of the difficulty in acquisition of *de facto* distinctiveness are not limited only to trade mark use of that mark in question by other traders, but can also arise from non-trade mark use of that mark by others in the same trade. The effects are stronger when it is through trade mark use by others but weaker when it is through non-trade mark use by others.
- (vi) Whether the defence is available is to be answered from the perspective of the average discerning consumer.
- (vii) Last but not least, for the purpose of Section 23(2), evidence of use is not limited to that after registration. It includes use (if any) prior to registration. I note *Kerly's 15 Ed* at [10-030]:

The wording appears to permit use prior to application and use prior to the date when the mark was actually put on the Register to contribute to the necessary distinctive character, which reflects reality in any case.

[Emphasis as underlined mine]

201 I note from the above that the over arching requirement under this defence is to make an overall assessment of the evidence tendered. It can be seen that the factors enumerated in the **Windsurfing Case**, and as adopted by the **Love Case** may be taken into account. These factors in all likelihood will be very helpful in assisting a competent authority to come to a conclusion in most circumstances. However, I note that these factors are not prescribed as such.

202 At the outset, there is the issue of "how much evidence is sufficient to prove acquired distinctiveness? As per **Kerly's 15 Ed** at [8-130]:

The issue...is whether the secondary meaning or new significance must displace the primary non-distinctive meaning, and, to what extent.

Kerly's 15 Ed at [8-131] provides further guidance:

(1) *It is not necessary for the secondary distinctive meaning to displace entirely the primary descriptive meaning of a sign. However, when the sign is used in relation to the goods...in question, the average consumer should understand the sign to denote origin.*

...

(3) *The extent to which the secondary distinctive meaning must displace the primary descriptive meaning to justify registration as a trade mark is a question of degree which will depend upon the degree of descriptiveness of the sign. The more descriptive the sign, the greater the extent to which the primary descriptive meaning must be displaced...Ultimately, when making this judgement the tribunal is likely to be influenced by considerations which were familiar under the old Act. To what extent would registration interfere with the rights of honest traders? To what extent does the sign really operate as a trade mark? To what extent is it thought necessary to keep this sign free for others to use?*

[Emphasis as underlined mine.]

203 Then the next question is, what is the type of evidence required? In relation to this I refer to **Kerly's 15 Ed** at [8-120]:

The starting point is usually financial evidence of turnover and...promotional expenditure for the goods...in question, accompanied by examples of how the mark is used in practice. Evidence from third party trade sources can be powerful, but the weight of such evidence often depends upon its perceived independence. Evidence from suppliers or distributors is generally given less weight than evidence from...consumer organisations...

Further at [8-126]:

[Evidence of recognition or association]...This type of evidence comes from third parties. It can be convincing if either the context of other evidence shows that the

recognition is of the sign acting as a trade mark – as a badge of origin...As Jacob J. observed in British Sugar:

"recognition [of the word] does not necessarily mean recognition as a trade mark."



and

"...recognition is not the same thing as perception as a trade mark – as not only recognising the word but as regarding it, in itself, as denoting the goods of one particular trader."

[Emphasis as underlined mine.]

204 With the above principles in mind, I now look at the evidence.

205 It is clear from the evidence that the Registered Proprietors have entered into the local market for a long time. It bears repeating that the Prior Martini Marks ie the Registered Proprietors' earlier registrations, are as follows:

Marks	Goods	Date of Registration
 T3903108D	Class 33 for "Vermouth"	24 July 1939
 T6026847J	Class 33 for "Vermouth wine"	21 June 1960

206 Further, I refer to the SD of AL at paragraph 3. BMSPL was incorporated in Singapore on 27 April 1988. As per paragraph 4 of the SD of AL, BMSPL is part of the Registered Proprietors' group of companies and is in the business of marketing and distributing the Registered Proprietors' products in Singapore. BMSPL imports Martini products, which consists of essentially vermouth products and sparkling wine products (Martini Products), from Tradall. As mentioned above, Tradall is part of the Registered Proprietors' group of companies as well.

207 As per the Registered Proprietors' submissions above, BMSPL distributes Martini Products in Singapore in two main ways. Firstly, BMSPL supplies Martini Products directly to the following supermarket chains in Singapore (i) NTUC Fairprice; (ii) the Dairy Farm Group (ie Cold Storage and Giant); (iii) Carrefour Singapore; and (iv) Isetan. Secondly, BMSPL supplies Martini Products to the following network of distributors in Singapore (i) Magnum Spirits & Wines Pte Ltd (Magnum); (ii) Laurels Food Suppliers Pte Ltd (Laurels); (iii) Hai Choo Wines & Spirits; (iv) Red Koi Pte Ltd (Red Koi); (v) Hock Tong Huat Pte Ltd.

208 The above is corroborated by the evidence of the different distributors.

209 I refer to the SD of JT. Mr Jake Tay is the director of Laurels. Laurels was incorporated in June 1981 and is a leading wine, beer and spirits wholesaler / distributor in Singapore. Laurels' customers include hotels, restaurants and clubs in Singapore. Laurels obtain their Martini Products from BMSPL and they have distributed Martini Products in

Singapore since 1988. Laurels deal with the following specific Martini Products (i) Martini Bianco; (ii) Martini Rosso; (iii) Martini Extra Dry; and (iv) Martini Asti Spumante.

210 Reference is made to the SD of GM. Mr Gavin Mui is the managing director of Magnum. Magnum was incorporated in November 1999 and is one of the leading wine and spirits wholesaler / distributor in Singapore. Magnum obtain their Martini Products from BMSPL and they have distributed Martini Products in Singapore since 2000. Magnum deal with the following specific Martini Products (i) Martini Bianco; (ii) Martini Rosso; (iii) Martini Extra Dry; and (iv) Martini Asti Spumante.

211 Finally, I also refer to the SD of THK. Mr Tay Hui Khim is the director of Red Koi. Red Koi was incorporated in August 2009. Red Koi obtain their Martini Products from BMSPL and they have distributed Martini Products in Singapore for the last 2 years. Red Koi deal with the following specific Martini Products (i) Martini Bianco; (ii) Martini Rosso; (iii) Martini Extra Dry; and (iv) Martini Asti Spumante.

212 I refer to the SD of AL at paragraph 10. The recent turnover in Singapore for the Martini Products in SGD as seen above is reproduced below:

Sum of NSV Period	Brand		
	Martini Vermouth	Martini Sparkling	Grand Total
FY2007	152,810	107,920	260,730
FY2008	166,000	126,730	292,730
FY2009	170,870	130,100	300,970
FY2010	170,771	148,364	319,135
FY2011	173,413	268,757	442,170
Grand Total	833,864	781,871	1,615,735

In particular, I note that the sales turnover is only in relation to two kinds of products, vermouth and sparkling wine.

213 I also refer to the SD of BHS at Exhibit 9 at page 369 where it shows a chart by IWSR showing volume figures for sales of Martini Vermouth in Singapore for the period 2005 to 2010:

Year	2005	2006	2007	2008	2009
Volume (in terms of 9 litre cases)	3,150	2,900	2,900	2,850	2,700

I refer to Exhibit 10 of the same evidence at pages 374 to 377, where there is another chart by IWSR, showing the value figure for sales in USD of Martini Trade Mark in Singapore for the period 2005 to 2009. The chart in Exhibit 10 is partially reproduced as follows:

Total Martini Trade mark	Value in USD 000s				
	2005	2006	2007	2008	2009
Singapore	280,000	275,000	291,000	327,000	362,000

214 The Registered Proprietors explained that the discrepancy in the figures is due to the fact that the IWSR figures were derived from retail sales while the turnover figures from BMSPL were derived from their sales to their wholesale network.

215 I refer further to the SD of AL at paragraphs 17 to 23. In particular, paragraph 22 includes a table which shows the different establishments which serve Martini Products. There are a total of 29 establishments, which includes hotel bars, restaurants and other bars and pubs. It is also noted that some of these establishments have more than one outlet and these outlets serve Martini Products. One example is Boulevard Restobar and Boulevard Bayfront. The relevant pages of the menus of both outlets serving Martini Products are pages 357 and 364 respectively of Exhibit 6 of the SD of AL. Another example is the Indochine Group. At this point, I think it should be apparent that it is not necessary for all bars, pubs, restaurants and food and beverage establishments to sell Martini Products.

216 As per paragraph 20 of the SD of AL, from the evidence it would appear that Martini Products are served alongside "martini" cocktails in many food and beverages establishments. The Martini Products, in particular Martini Bianco, Martini Rosso and Martini Extra Dry, are usually listed under the Aperitif section.

217 There are two points which I would like to make from the above evidence. Firstly, unlike the *Love Case*, where there was no separate sales volume for the simple LOVE mark, in this case, it is clear that there have been sales of products bearing the Registered Mark. Secondly, I agree with the Registered Proprietors that it is a significant point that the menus of the food and beverage establishments feature both the Martini Products and "martini" cocktails in that it suggests that the relevant consumer of alcoholic beverages (via the trade), is educated of the distinction between "martini" cocktails in general and Martini Products.

218 I also agree with the Registered Proprietors as per their reply submissions that it is also noteworthy that in the Aperitifs section, the Martini Products are featured amidst other trade marks such as Campari, Pernod and Noilly Prat. This strongly suggests to the reader of the menu, that Martini Bianco, for example is a trade mark.

219 In this regard, I also agree with the Registered Proprietors that a consumer of alcoholic beverages who is reasonably well informed and reasonably observant and circumspect, would be able to understand that "bianco" and "rosso" simply denote product lines. I am of the view that the average discerning consumer of alcoholic beverages, who is reasonably well informed and reasonably observant and circumspect would be aware that the main types of vermouth includes dry and sweet vermouths and that sweet vermouths can be red ("rosso" meaning red in Italian) or white ("bianco" meaning white in Italian). I am of the view that alcoholic beverages are products which, aside from the fact that they are to be imbibed, are products which are very much a question of preference such that the average consumer of the relevant class would be particularly discerning and knowledgeable as to the various types of alcoholic beverages which he or she would prefer and thus choose to consume.

220 In relation to retail sales via, for example, supermarkets, there is of course no issue about the Registered Mark being understood to be a brand for the Martini Products, since the Registered Mark is applied to the relevant Martini Products. At this point, I note that while the Registered Proprietors' sparkling wine products are not as commonly found in the menus (those submitted via the Registered Proprietors' evidence), there is no question of such

products being sold via the retail channel. See for example, page 114 of Exhibit 4 of the SD of AL – where it is an invoice from BMSPL to NTUC Fairprice dated 1st December 2006).

221 In light of all of the above, I am of the view that the defence under Section 23(2) has been made out such that the Registered Mark has acquired a distinctive character, but *only* in relation to *vermouth and sparkling wine*.

222 I will now address the Registered Proprietors' evidence from abroad, in particular, evidence of the different ways in which the Registered Proprietors have promoted their marks including the Registered Mark and Prior Martini Marks (collectively Martini Marks) abroad. This includes, amongst others, the Martini Terazza Bars as well as direct advertising and promotion.

223 I agree with the Registered Proprietors as per their reply submissions that the evidence should not be regarded as irrelevant just because it is from abroad. The principle that trade mark law is territorial in nature does not mean that the law should turn a blind eye to matters which are extra-territorial in nature. In a world that has become inextricably linked by the internet and mass media and where consumers are well travelled, it is artificial to ignore such information.

224 However, that said, in a case where the burden of proof is on the Registered Proprietors to prove acquired distinctiveness, it is insufficient to simply assert that (i) the world is linked by the internet and mass media; and (ii) that the relevant consumers are well travelled. More is required. So for example, one way is to show web traffic for the purposes of any promotion on You-tube, for example, the George Clooney Martini Commercial 2007 on You-tube as per the SD of BHS at Exhibit 19 at page 570. As this point, I acknowledge that it may be difficult to prove, for instance, that the relevant consumer in Singapore is well travelled. However, in a situation like this where one seeks to rely on this fact to discharge his/her burden of proof, more is required than a mere statement. As such, while I do not discount the Registered Proprietors' evidence from abroad in its entirety, I can only accord some weight to it even though, as it is apparent, the Registered Proprietors has invested much on their promotional activities overseas and have tendered much evidence in relation to the same.

225 One last word and that is in relation to the Power 100 survey, which is an independent annual research study assessing the power of the world's leading spirits and wine brands, in particular, the survey reports for 2009 and 2010 (paragraphs 51 to 53 of the SD of BHS and Exhibits 30 and 31 of the same evidence). In this regard, I agree with the Applicants that upon reading the survey reports, it is unclear if the markets surveyed includes, Asia and in particular, Singapore, which render them unhelpful in the quest by the Registered Proprietors to show acquired distinctiveness in the local context.

REVOCATION

Grounds of Revocation under Section 22(1)(c)

226 Section 22(1)(c) of the Act reads:

22. —(1) The registration of a trade mark may be revoked on any of the following grounds:

...
(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for the product or service for which it is registered...

Applicants' Submissions

227 The Applicants submitted that the applicability of Section 22(1)(c) is determined by consideration of the following:

- i. Has the registered trade mark become the common name in the trade for the product or service for which it is registered?
- ii. If it has, did the registered trade mark become a common name in the trade as a consequence of acts or inactivity of the proprietor?

228 In satisfying limb (i) above, the trade mark in question does not have to be the only common name in the trade and it is sufficient if it has become a common name. The phrase “in the trade” also includes consumers and end-users of the product or services for which the trade mark is registered.

229 The Applicants referred their submissions above to show that the term “martini” has become the common name in the trade for a generic alcoholic cocktail drink. The Applicants also further referred to their submissions above to demonstrate that the Registered Proprietors have not undertaken any promotional or advertising within Singapore to ensure that the Singaporean public is apprised of the differences between the use of “martini” as a brand as opposed to a generic alcoholic cocktail drink.

Registered Proprietors' submissions

230 The Registered Proprietors submitted that the issue is whether the Applicants can show that, in consequence of acts or inactivity of the Registered Proprietors, the Registered Mark has, under Section 22(1)(c) of the Act, become the common name in the trade for the Goods.

231 The Registered Proprietors submitted that the leading case in Singapore on the Section 22(1)(c) ground is ***Wing Joo Loong***. There, the Court approached the issue by reference to the following 2 questions:

- (a) Has the registered trade mark become the common name in the trade for the product or service for which it is registered?
- (b) If it has, did the registered trade mark become a common name in the trade as a consequence of acts or inactivity of the proprietor?

232 The burden of proof which the Plaintiff must satisfy in this regard can be described as a “heavy burden” (***Wing Joo Loong*** at [59]). It must be established by cogent evidence. In this connection, the learned authors of ***Kerly's 15 Ed*** state at [10-119] that:

“A tribunal would expect to see ***substantial independent evidence*** relating to the relevant product or service market. The evidence might come from surveys, or from

persons of standing within the trade or from trade organisations and the like, showing the mark in use as the common name in the trade for the relevant product or service”.

(emphasis added)

233 The Registered Proprietors submitted that ***Kerly's 15 Ed*** provides also the example of ***Daiquiri Rum*** [1969] RPC 600, a decision of the House of Lords under the English Trade Marks Act 1938. The following extract is from the text of ***Kerly's 15 Ed*** at [10-129]:

*“The mark was registered in 1922 for rum. The cocktail (light rum, lime or lemon juice, sugar and ice) originated in Daiquiri in Cuba in about 1919, and became fashionable in the United Kingdom in 1920s. Plainly “a Daiquiri” was a descriptive term for the cocktail. The mark was held to be an entry wrongly remaining on the Register under s. 15 of the 1939 Act, because rum and a rum cocktail were goods of the same description. It is difficult to predict whether an application today under s. 46(1)(c) [i.e. the equivalent of our Section 22(1)] of the 1994 Act would succeed. **“Daiquiri” would not have become the or a common name for rum, however common its use as the name of a rum cocktail, but whether it would have retained any distinctive character is another matter.**”*

(emphasis added)

234 The Registered Proprietors submitted that the logic of ***Kerly's 15 Ed*** submission above can be extended to the present situation. No matter how common its use as the name of a ‘martini’ cocktail comprising of vermouth, vodka or gin, and bitters, it would not have become the or a common name for the Goods.

235 The Registered Proprietors submitted that, to conclude, the Applicants have clearly failed, on the evidence, to establish that the word “MARTINI” has come to be used as a common description of the Goods. No “substantial independent evidence” has been adduced by the Applicants in this case. Most of the Applicants' evidence is comprised of drinks menus, newspaper extracts and internet printouts of various permutations of cocktails. For while the evidence does show that ‘martini’ cocktails exist and that some of the portion of the public in Singapore would be aware of ‘martini’ cocktails, it falls far short of establishing that “MARTINI” has now become a generic term to describe the Goods.

236 The Registered Proprietors submitted that in any case, the evidence shows that as of the relevant date, there were no acts or inactivity of the Registered Proprietors that can be causally linked to the introduction of ‘martini’ cocktails, which took place a long time ago. The status quo has not been affected by the Registered Proprietors.

237 The Registered Proprietors submitted that by reason of the above, the Applicants have failed to discharge their burden of showing that the Registered Mark should be revoked on the basis of Section 22(1)(c) of the Act.

238 Further and in the alternative, the Registered Proprietors submitted that, in the event the Registered Mark is found, under Section 22(1)(c), to be the common name in the trade for the Goods by reason of the acts or inactivity of the Registered Proprietors, an order may be made for partial revocation on the basis of Section 22(6) of the Act. In this respect, the Registered Proprietors submitted that the specification may be amended to state: “*alcoholic beverages*

(excluding beers and alcoholic cocktails), including wines, spirits and liqueurs”. The Registered Proprietors submitted that the proposed amendment would address the contention that ‘martini’ may be descriptive and/or generic in relation to cocktails, while recognising that the Registered Mark is distinctive in relation to alcoholic beverages other than cocktails.

Decision on Section 22(1)(c)

239 In relation to this ground, the Court in *Wing Joo Loong* states at [51]-[57] and [66]:

51 The next ground for revocation advanced by the Plaintiff, which is based on s 22(1)(c) of the current TMA, is that the Opposed Mark has become a common name in the trade for cordyceps imported from the PRC as a consequence of the acts or the inactivity of the First Defendant or its predecessor in title. In determining whether s 22(1)(c) has been made out in the present case, two main issues have to be considered, namely (and paraphrasing the test set out by Richard Arnold QC, sitting as a deputy judge of the English High Court, in *Hormel Foods Corp v Antilles Landscape Investments NV* [2005] RPC 28 (“*Hormel*”) at [163]):

(a) has the Opposed Mark become a common name in the trade for cordyceps imported from the PRC; and

(b) if (a) is answered in the affirmative, did the Opposed Mark become a common name in the trade due to the First Defendant’s acts or inactivity?

52 David Kitchin *et al*, *Kerly’s Law of Trade Marks and Trade Names* (Sweet & Maxwell, 14th Ed, 2005) (“*Kerly’s*”) describes the question of whether a trade mark has become a common name in the trade for a product or service as “a question of fact to be decided in the circumstances” (at para 10-103). The actual *concept* of “common name in the trade” in trade mark law is, however, somewhat ambiguous. A trade mark which is considered to have become a common name in the trade is said to have become – using the term of art – “generic”. Ng-Loy Wee Loon, in *Law of Intellectual Property in Singapore* (Sweet & Maxwell Asia, 2008) (“Ng-Loy’s *Intellectual Property*”), observes (at para 25.4.1) that the ground for revocation set out in s 22(1)(c) of the current TMA “deals with what may be called ‘genericisation’ – where the trade mark becomes the generic term for the product or services [for which the mark is registered]”. Thus far, there have been few judicial pronouncements on what the concept of “common name in the trade” entails. As noted in Christopher Morcom, Ashley Roughton & Simon Malynicz, *The Modern Law of Trade Marks* (LexisNexis, 3rd Ed, 2008) (“Morcom *et al*”) at para 7.35, “there is very little guidance in decisions of the [the English trade marks] registry or the courts in the application of this provision [*ie*, the English equivalent of s 22(1)(c) of the current TMA]”.

53 Some guidance is nevertheless forthcoming from academic works. David I Bainbridge, *Intellectual Property* (Pearson Longman, 6th Ed, 2007) (“Bainbridge’s *Intellectual Property*”), for example, describes a trade mark which has become a common name in the trade as one which is “so well known that [*it passes*] into the language as being the name by which a type of product is referred to rather than the name by which the product of a particular undertaking is sold” [emphasis added] (at p 652). Another leading work, William Cornish & David Llewelyn, *Intellectual Property: Patents, Copyright, Trade Marks and Allied Rights* (Sweet & Maxwell, 6th

Ed, 2007) (“Cornish & Llewelyn”), describes a trade mark which has become a common name in the trade as one which “[has come] to be used as a description of the product itself” (at para 18-74).

54 In a similar vein, the Plaintiff’s lead counsel, Mr Tan Tee Jim SC (“Mr Tan”), in *Law of Trade Marks and Passing Off in Singapore* (Sweet & Maxwell Asia, 2nd Ed, 2005) (“Tan’s *Law of Trade Marks*”), describes a trade mark which has become a common name in the trade as one which has “lost the ability to act as a badge of origin” (at para 7.62). He adds that (*ibid*):

The word ‘common’ suggests that the use of the name must be established or widespread in the trade for the relevant goods or services. Precisely how established or widespread the use [must be] in a particular case will depend on the circumstances of the case.

An example of a mark which has become a common name in the trade would be the mark “gramophone”. In *In re Gramophone Company’s Application* [1910] 2 Ch 423, the English High Court stated (at 431):

On the one hand, distinguishing the public from the trade, it is, in my opinion, clear that to the general public the word ‘gramophone’ now denotes a talking machine with disc[s] as opposed to cylindrical records, that is, a particular type of talking machine, and denotes this without any connotation of the source of manufacture. In this sense the word has found its way into dictionaries, is used in patent specifications, newspapers, and other current literature, and can be found even in arguments of counsel and the decisions of judges of the [English] High Court.

55 Tan’s *Law of Trade Marks* further emphasises that “it is the *name* that must have become common ... [and] [i]t must have become common for the goods or services for which it is registered” [emphasis in original] (at para 7.63). The name must also have become common due to the acts or the inactivity of the proprietor. Thus (*ibid*):

This ... overcomes the problem encountered by proprietors under the [Trade Marks Ordinance 1938 (SS Ord No 38 of 1938)] whereby they could lose their registration through the use of their mark[s] by third parties on goods or services other than those covered by the registration and in a way that [they] could not control.

56 Section 22(1)(c) of the current TMA specifies that the trade mark in question must have become common “in the trade”, which expression includes *consumers* and *end-users* of the product or service for which the trade mark is registered. In *Björnekulla Fruktindustrier AB v Procordia Food AB* [2004] RPC 45 (“*Procordia Food*”), which involved a provision similar to s 22(1)(c) of the current TMA (*viz*, Art 12(2)(a) of the European Trade Marks Directive), the party applying for revocation (“the claimant”) contended that the word “Bostongurka” had become the common name for chopped pickled gherkins. In support of its application, the claimant relied primarily on “two market research surveys of consumers” (*id* at [7]). The proprietor of the “Bostongurka” trade mark (“the defendant”) resisted the application for revocation, citing in particular “a market research survey of leading operators in the grocery, mass catering

and food stall sectors” (*id* at [8]). The Swedish court was uncertain as to the class of persons to be considered for the purposes of the expression “in the trade” and submitted to the ECJ for a preliminary ruling the question of “the relevant circle or circles for determining whether a trade mark has become the common name in the trade for a product in respect of which it is registered” (*id* at [11]). The ECJ found that while the English and the Finnish versions of the term “in the trade” referred to “trade circles alone” (*id* at [17]), the corresponding terms in the languages of other countries (such as Spain, Denmark, France and Italy) were not restricted in such a manner, but instead referred “both to consumers and end users as well as to the operators who distribute[d] the product” (*ibid*). Emphasising the essential function of a trade mark (*viz*, “to guarantee the identity of the origin of the marked goods or service to the consumer or end user by enabling him, without any possibility of confusion, to distinguish the goods or service from others which have another origin” (see *Procordia Food* at [20])), the ECJ opined that, in general, the more significant circles would be “consumers or end users” (*id* at [24]). The court added that, depending on the features of the product market concerned, consideration should also be given to the perception of intermediaries who could influence decisions to purchase the product concerned (*id* at [25]).

57 For the condition in s 22(1)(c) of the current TMA to be satisfied, it suffices (notwithstanding the literal wording of the provision) if the trade mark in question has become a common name in the trade; it does not have to be the only common name in the trade. This very issue arose in *Hormel* ([51] *supra*), where one important question was whether s 46(1)(c) of the English Trade Marks Act (which is *in pari materia* with s 22(1)(c) of the current TMA) required the impugned trade mark to have become *the only* common name in the trade or whether it was sufficient that the trade mark had become merely *a* common name in the trade. The English High Court held (at [167]):

The literal wording of s. 46(1)(c) [of the English Trade Marks Act], Art. 12(2)(a) [of the European Trade Marks Directive] and Art. 50(1)(b) [of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community Trade Mark] suggests that what must be shown is that the trade mark has become *the* common name and not merely *a* common name. It is well-established, however, that European legislation is to be interpreted teleologically rather than necessarily in accordance with its literal wording. In my judgment, the purpose of these provisions, which is to enable marks to be removed from the register if they cease to fulfil their essential function of enabling consumers to distinguish the goods or services of one undertaking from those of others, would be defeated if the provisions were interpreted in this way. ***If a trade mark has become a common name for goods or services for which it is registered, then it can no longer perform this essential function even if there are also other common names for those goods or services.*** [emphasis added in bold italics]

Hormel thus indicates, *vis-à-vis* s 22(1)(c) of the current TMA, that it is sufficient if the trade mark in question has become *a* common name in the trade. The court in *Hormel* added that it would not make any difference if the trade mark concerned “[was] not the word [which had been registered as a trade mark] ... *per se* but a stylised presentation of it” (at [168]).

...

59 The burden of proof which the Plaintiff must satisfy in this regard can be described as a heavy burden. As Warren J stated in *Rousselon Freres ET CIE v Horwood Homewares Limited* [2008] RPC 30 at [85], “[i]nsofar as it is suggested that [the impugned trade mark] has become a common name in the trade, that must be established by *cogent* evidence” [emphasis added]. It has likewise been observed in *Kerly’s* ([52] *supra*) that “[a] tribunal would expect to see substantial independent evidence relating to the relevant product or service market” (at para 10-103).

60 Indeed, in general, it would appear that, as far as possible, objective evidence should be adduced to establish that s 22(1)(c) of the current TMA has been satisfied. That this is the correct principle to apply can be perceived from the following cases which deal with the issue of whether the registration of a trade mark should be *invalidated* on the ground that the trade mark has become *customary* in the current language or in the *bona fide* and established practices of the trade (see s 23(1) read with s 7(1)(d) of the current TMA; see also the European equivalent of these provisions, *ie*, Art 51(1)(a) read with Art 7(1)(d) of Council Regulation (EC) No 40/94 of 20 December 1993 on the Community Trade Mark (“EC Council Regulation 40/94”). Some general guidance can be drawn from these cases as there is some conceptual overlap between, on the one hand, *revoking* the registration of a trade mark on the ground that the trade mark has become a *common name in the trade* for the product or service for which it is registered and, on the other hand, *invalidating* the registration of a trade mark on the basis that the trade mark has become *customary* in the current language or in the *bona fide* and established practices of the trade. This is in some ways reflected by the fact that, as will be discussed later (at [71]–[76] below), a trade mark which has become “customary” within the meaning of s 7(1)(d) of the current TMA can, like a trade mark which has become a “common name in the trade” (*per* s 22(1)(c)), be described as a “generic” mark.

61 In *Sunonwealth Electric Machine Industry Co Ltd v Siemens Aktiengesellschaft* [2007] SGIPOS 3 (“*Sunonwealth*”), an application was made to register a mark comprising the word “Maglev” for, among other products, motors for electric machines and motors for cooling fans. The application was opposed on, *inter alia*, the ground that the mark had become customary in the manner delineated in s 7(1)(d) of the current TMA. The Assistant Registrar of Trade Marks upheld the opposition and refused the application for registration, holding that the word “Maglev” had become customary within the meaning of s 7(1)(d) for the following reasons (at [4]):

The term maglev is found in the dictionary as a noun referring to a type of technology, namely magnetic levitation technology. The literature filed by the [party opposing the application for registration] relating to the use of ... magnetic levitation technology in various products ... refers to maglev products as products employing maglev technology. Therefore, the word maglev has become customary in the current language and in the established practices of the trade as designating the type of products which use that technology.

For similar reasons, it was held in *Alcon Inc v Office for Harmonisation in the Internal Market* [2004] ETMR 6 (“*Alcon*”) that the acronym “BSS”, which had been

registered as a trade mark for ophthalmic pharmaceutical preparations and sterile solutions for ophthalmic surgery, was not a valid trade mark as it had become customary within the meaning of Art 7(1)(d) of EC Council Regulation 40/94 (*ie*, the European equivalent of s 7(1)(d) of the current TMA). The European Court of First Instance explained (at [43]):

The evidence submitted by the intervener [*ie*, the party who sought to have the 'BSS' mark invalidated] ... as to the customary character of the acronym BSS among ophthalmologic specialists indicates that BSS has become the current generic term for a balanced salt solution. The Court finds that the chemical, medical and pharmaceutical dictionaries and the scientific articles produced by the intervener demonstrate that the term BSS is regarded by the relevant scientific community as a generic term.

...

66 For completeness, we would add that it would be insufficient for the Plaintiff to simply show that the Rooster Mark is a popular mark used to denote cordyceps from the PRC. The mere fact that a mark is popular or even the only brand used to market a particular product or service does not *ipso facto* render that mark a generic name and thus undeserving of protection. In *Hormel* ([51] *supra*), it was held that a mark which had become a household name was not necessarily a mark which had become generic. In response to the argument that the registration of the trade mark "Spam" should be revoked as that word had become the common name in the trade for the purposes of s 46(1)(c) of the English Trade Marks Act (*viz*, the English equivalent of s 22(1)(c) of the current TMA), the English High Court stated (at [176]):

[S]ince 1938 the [mark 'Spam'] has become a household name. In such circumstances it is not surprising that occasionally it is used by way of synecdoche to stand for canned luncheon meat generally in the same way as, for example, PERRIER is sometimes used to stand for carbonated mineral water generally (the synecdoche being the use of the species to stand for the genus). This does not mean that [the mark] has necessarily become truly generic, still less that this is due to the acts or [the] inactivity of the [registered proprietor of the mark]. Other examples of trade marks which have become household names would include marks such as "Xerox", "Kleenex" and "Kiwi", all of which remain registered as trade marks despite the fact that they are commonly used in the generic sense to refer to photocopiers, tissue paper and shoe polish respectively.

[Emphasis as underlined all mine].

240 . It would be apparent from the above that there is some overlap between the ground of objection under Section 23 read with Section 7(1)(d) and this ground of objection. The relevant date in this instance is 6 March 2012, which is the date of the filing of the Form TM28 by the Applicants.

241 The ever evolving definition of the "martini" cocktail since its inception until today where the concoction of the "martini" cocktail includes a wide variety of alcohols, the only unifying factor for such drinks being that they are served in a "martini" glass, has been discussed at length above and will not be repeated here. In addition, it is also to be recalled

that there is prevalent use of "martini" to refer to a generic alcoholic cocktail drink in, amongst others, the newspapers, the internet, not to mention the spurt of "martini bars" in the local scene, including, "Martini Bar @ Mezza9" which is at Grand Hyatt.

242 At this point, I would like to refer to *Wing Joo Loong* at [64] which is particularly illuminating:

64 Indeed, there was no clear evidence to show that the word "Rooster" was even linked to cordyceps *in general* (as opposed to cordyceps from the PRC specifically), as can be seen from the following exchange between the Judge and Mr Tan Hee Nam ("Tan"), the managing director of the Plaintiff:

...

COURT: Just let me ask you this in the converse, if I were to go to Chinatown after this case and I go into any of those many suppliers and I say, 'I want Rooster' would they know what I want? ...

A: If you were to go into those medical halls selling Chinese medical herbs and you said that you wanted to buy Rooster mark cordyceps then they would know that you wanted to buy that.

COURT: But your answer does not tally with my question. If somebody goes to a medical hall and says, 'I want Rooster', would the operators of the hall be able to identify what it is that I want? Do you understand my question? It is quite a simple question because it is easy to test the connection between the Rooster [*ie*, the word 'Rooster'] and cordyceps, in fact [the test] is exactly this, so if I go into a shop and I say, 'Give me \$50, or \$100 Rooster' do they know what I want?

A: They will connect it with Rooster Brand and if – the word 'xiong ji chong cao' is mentioned, so it must be cordyceps –

COURT: But that is sidestepping the question, if I say 'Rooster *Cordyceps*', of course they know I want cordyceps. If that was the case I wouldn't even ask my question. ... If we go to your shop – not your shop, any other shop in Chinatown, there must be what 20 shops that supply these things and somebody goes in and says, '\$100 worth of Rooster, please', would they know what it is that the customer wants?

A: No.

...

A: If only the word 'Rooster' is mentioned then I'm afraid they won't know.

[Emphasis as underlined mine].

243 Similarly, in this case, if I go to a food and drink establishment and ask for a martini, what would I get? Would I get a cocktail made of gin and vermouth *per se*? Or would I get a drink made of gin or vodka with a splash of vermouth? Or would I even get a vermouth? But certainly, I would get, as per my conclusion above in relation to the ground of objection under Section 23 read with Section 7(1)(d), a alcoholic cocktail drink served in a "martini" glass.

244 I am mindful of both the need to provide substantial evidence to make out this objection as well as the caution in *Wing Joo Loong* at [66], that it would be insufficient for the Applicants to simply show that the Registered Mark is a popular mark used in relation to the Goods. However, I am of the view that in the current case, the objection under this Section 22(1)(c) has been partially made out in that the Registered Mark has become the common name in the trade for "alcoholic cocktails served in a 'martini' glass".

245 The next stage following the above conclusion is to assess if the genericism is the result of the acts or inactivity of the Registered Proprietors. It is clear that the genesis of the "martini" cocktail cannot be causally linked to the Registered Proprietors. It is possible, as per the Applicants' submissions, that the Registered Proprietors' lack of promotional efforts in the local scene has contributed to the genericism of the Registered Mark. However, as per *Kerly's 15 Ed* at [10-124], while the acts or inactivity of the proprietor need not be the sole cause, they ought to be the main or a major cause. This point has not been substantially argued and therefore I will not delve further into it. In any case, as mentioned above, having regard to my decision in relation to Section 23 read with Section 7(1)(b) and (c), the decision in relation to this ground is largely academic.

246 To conclude, I am of the view that the Registered Mark has become a common name in the trade for "alcoholic cocktails served in a 'martini' glass", but not in relation to the other Goods in the specification. However, it has not been made out if such genericism is the result of inactivity on the part of the Registered Proprietors. Therefore, this ground of objection fails.

Conclusion

247 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that revocation fails under Section 22(1)(c) while invalidation succeeds on Section 23 read with 7(1)(b) and (c) and partially succeeds under Section 23 read with 7(1)(d). However, the Registered Mark having acquired distinctiveness for, *vermouth and sparkling wine*, pursuant to Section 23(9), the Registered Mark is partially invalidated with respect to the rest of the goods, although this shall not affect transactions past and closed. The Applicants are to have 70% of their costs having regard to the fact that the Applicants failed in their application under Section 22(1)(c), and only succeeded partially under Section 23 read with 7(1)(d). These are to be taxed, if not agreed.

Dated this 12th day of May 2014

Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore