

**Intellectual Property Office of Singapore Case Summary:
Fox Street Wear Pte Ltd v Fox Racing, Inc. [2014] SGIPOS 13**

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BRIEF FACTS¹

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

Mark Application No. T0503947C  in Class 18² (the “**Application Mark**”), which was opposed by Fox Racing, Inc. (the “**Opponents**”).

The Applicants and the Opponents are the registered proprietors of several “FOX-related” trade marks in Singapore as listed below:

Applicants		Opponents	
Mark	Registration Date/ Class of Goods	Mark	Registration Date/ Class of Goods
	11 August 1981 – Class 25 7 January 1998 – Class 18		17 November 2001 – Classes 9, 16 & 25
	23 March 1989 – Class 25 7 January 1998 – Class 18		27 April 2004 – Class 9
	2 September 1999 – Classes 18 & 25		15 July 2004 – Class 9
			20 August 2004 – Class 9
		FOX RACING	25 August 2004 – Class 9

It appears that both parties have sold and are selling goods in Singapore bearing their respective Singapore-registered marks; the Applicants (and their predecessors) allegedly since the 1980s, and the Opponents since 1996.

Apart from the above, there are many other confounding factors in the current case, which complicate the matter. These include the following:

¹ See paragraphs [8]-[35] of the Grounds of Decision (“**GD**”) for details.

² The full list of goods applied for are “*Luggage and cases; bags and back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18.*”

- (a) The **Opponents** have apparently been using the device of a fox head () in the US on Class 25 goods since **1976**, but this mark has not been registered or used in Singapore.
- (b) The **Applicants**' (nearly-)identical "FOX-head device" trade mark () in Class 25 was originally registered in **1981** by a business known as Fox Clothing Company; this business is no longer in existence. Fox Clothing Company assigned this mark to Rajinder Singh trading as Guilford Enterprises, who in turn assigned the mark to the Applicants. Rajinder Singh is the Managing Director of the Applicants. There is no evidence as to whether Fox Clothing Company is related to the Applicants.
- (c) Although the **Opponents** do not appear to use the above device of a fox head () in Singapore, they do use two other very similar fox head devices ( and ), both of which have been registered in Singapore since **2004** for Class 9 goods.
- (d) The Opponents' mark, which is arguably most similar to the Application Mark (namely, T01/17910F () in Class 25), secured registration in Singapore by relying on honest concurrent use with the Applicants' prior registrations of ,  and .
- (e) There are currently no proceedings in Singapore by the Opponents against the Applicants' prior registrations of , or by the Applicants against the Opponents' prior registrations of , ,  or .

DECISION

The Opponents relied on Sections 7(6), 8(2)(b), 8(4)(b)(i), 8(4)(b)(ii), 8(7)(a) and 8(7)(b) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (the "Act") in support of their opposition. The Registrar held that the opposition succeeded under Section 8(2)(b) but failed on all the other grounds relied on by the Opponents.

ISSUES OF INTEREST

Some of the more interesting issues which arose in the case are considered briefly below.

Section 7(6) of the Act (Bad Faith)³

The following propositions were not in dispute: (1) the test of bad faith contains both a subjective element (*viz*, what the particular applicant knows) and an objective element (*viz*,

³ See paragraphs [36]-[52] of the GD for details.

what ordinary persons adopting proper standards would think); (2) the key issue in the determination of bad faith is often the issue of proprietorship of the mark in dispute; (3) whether bad faith exists or not hinges on the specific factual matrix of each case; and (4) an allegation of bad faith is a serious claim to make; it must be sufficiently supported by the evidence, and it will rarely be possible to prove an allegation of bad faith by a process of inference.

What was interesting in this case is that there was substantial dispute between the parties on the evidence, but none of the deponents of the various statutory declarations adduced in evidence were cross-examined on their evidence.

It does not appear that any local cases have considered this issue, and the Registrar adopted the approach set out in *Kerly’s Law of Trade Marks and Trade Names, 15th Ed (Sweet & Maxwell, 2011)* (“*Kerly’s*”) at [5-107]. Essentially, while the Registrar “*is not obliged to accept a witness’s evidence in the absence of cross examination if it is obviously incredible*”, “*fairness requires that adverse findings should not ordinarily be made against a witness, such as a finding that he has acted in bad faith, without the witness having the charge put to him and being given an opportunity to answer it.*” The Registrar agreed that the Applicants’ evidence did raise several questions. However, it would not be appropriate to make adverse findings against the Applicants without giving them the opportunity to clarify or substantiate their evidence, particularly since they were in fact able to put forward a plausible explanation for certain matters which at first blush appeared to be incriminating (see GD at [48]). Without the benefit of cross-examination and the opportunity to observe the relevant persons, it was not possible for the Registrar to assess who should be believed.

In the circumstances, the Opponents did not meet the high threshold required to establish bad faith.

Section 8(2)(b) of the Act (similarity of mark and goods giving rise to a likelihood of confusion)⁴

To succeed on this ground of opposition, the Opponents had to establish: (1) similarity or identity of the marks; (2) similarity or identity of the goods; and (3) likelihood of confusion on the part of the public: see the Court of Appeal’s judgment in *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 (“*Staywell*”) at [55].

For comparison purposes, it would be convenient to set out below the Application Mark and the most similar amongst the Opponents’ marks:

Application Mark	Opponents’ Mark
	

⁴ See paragraphs [53]-[88] of the GD for details.

Goods applied for	Goods for which marks registered
<p><u>Class 18:</u> Luggage and cases; bags and back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in <u>Class 18</u>.</p>	<p><u>Class 25:</u> Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts.</p>

Relevance (if any) of Registration of Opponents’ Mark through Honest Concurrent Use⁵

Interestingly, the Opponents’ mark was registered in Singapore through honest concurrent use with the Applicants’ prior registrations of ,  and . Specifically, the Opponents overcame objections from the Trade Marks Registry by “show[ing] to the satisfaction of the Registrar that there has been honest concurrent use in the course of trade in Singapore of the [Opponents’] trade mark” pursuant to Section 9(1) of the Act.

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

As an aside, the Registrar commented that perhaps the Applicants should have applied to invalidate the Opponents’ mark under Section 23 of the Act, or relied on some doctrine of acquiescence or estoppel. However, the Registrar did not consider these points further in the absence of any submissions on these issues by the Applicants.

Similarity of Marks

The Registrar found the marks to be visually, aurally and conceptually similar, and consequently similar overall.

The interesting issue in the present case is how the marks should be compared from the perspective of aural similarity.⁶ Should both marks be regarded simply as “FOX” for the purposes of this comparison? Or would the Opponents’ marks be pronounced “F...X” instead? And, for the Application Mark, must the presence of the name “Fox Street Wear” and the slogan “What’s stopping you?” be taken into account as well?

⁵ See paragraphs [55]-[59] of the GD for details.

⁶ See paragraphs [67]-[70] of the GD for details.

The Court of Appeal in *Staywell* at [31] to [32] alluded to two approaches for assessing aural similarity: (1) ascertain the “*common dominant element*” of both marks and (2) undertake a “*quantitative assessment as to whether the competing marks have more syllables in common than not.*” The Registrar applied the first approach in this case, and held that both marks would be pronounced by the average consumer as “FOX”.

Similarity of Goods⁷

Applying *Festina Lotus SA v Romanson Co Ltd* [2010] SGHC 200 (“*Festina*”) at [71], [72] and [75], the Registrar held the relevant goods of the parties to be similar. The Registrar also noted that the Opponents do in fact apply their marks to both Class 18 goods such as sports bags, etc (for which the Application Mark is applied for) as well as clothing in Class 25 for which their  mark is registered, and that these products appear in the same catalogues of the Opponents.

It should be noted that this approach is different from that of the UK decision in *QS by S. Oliver Trade Mark* [1999] RPC 520 (at pg 527), where the Hearing Officer held that only items in Class 18 that should be regarded as clothing accessories (but not other items in Class 18) would be regarded as similar to clothing in Class 25. Another approach taken in the recent (29 April 2014) decision of the General Court of the European Union (Seventh Chamber) in *Asos plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Case T647/11* at [43]-[52] was to draw a distinction between Class 18 goods that had an essentially utilitarian function, and those which, like Class 25 goods, had an aesthetic function.

Another point of interest is that in all the Singapore, UK and European cases considered, the parties did not put forward any evidence from the trade as to the uses, users or trade channels for the relevant Class 18 and Class 25 goods. Even in cases involving goods which presumably are not familiar to the court or tribunal, such as goods in Class 12 (automobile apparatus and equipment, etc) and Class 4 (fuels and lubricants), no evidence of uses, users or trade channels was considered when the Principal Assistant Registrar and the High Court judge assessed goods-similarity in *Mobil Petroleum v Hyundai Mobis* [2008] 4 SLR(R) 427 at [25]; *Hyundai Mobis v Mobil Petroleum* [2007] SGIPOS 12 at [44]-[48]).

Whether there is a likelihood of confusion⁸

As set out in detail in *Staywell* (at [44]-[118]), “*the issue of the likelihood of confusion... directs the court to look at (a) how similar the marks are; (b) how similar the services are; and (c) given this, how likely the relevant segment of the public will be confused*” (at [55]). “[I]n opposition proceedings, it will generally not be relevant to consider extraneous factors that relate to the actual and particular circumstances and ways in which the mark was used on the goods in question” (at [84]).

⁷ See paragraphs [74]-[85] of the GD for details.

⁸ See paragraphs [86]-[87] of the GD for details.

The Registrar found that there was a likelihood of confusion taking into account:

- a. the high degree of similarity of the marks in question ( compared with );
- b. the likelihood of imperfect recollection of the marks;
- c. the similarity in the respective goods of interest;
- d. the fact that both parties actually do apply their respective marks to the relevant goods in Classes 18 and 25;
- e. the fact that the goods in question could notionally be sold at a low price; and
- f. the probability that consumers will take some care but not an undue degree of care when purchasing the goods in question.

Conclusion on Section 8(2)(b)

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

Section 8(7)(a) of the Act (Passing Off)⁹

In contrast to Section 8(2)(b) of the Act, “*in an action in passing off, the likelihood of deception is to be assessed having regard to all the circumstances*”: see the decision of the Court of Appeal in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 (at [110]).

The Registrar noted that:

- (a) The Applicants (and their predecessors) have established their own business since at least 2000 (and presumably from as far back as 1981);
- (b) Although the mark they use is the Applicants’ “FOX-head device” () (among others), this is clearly a key element of the Application Mark ();
- (c) The Opponents apply both their  as well as their  marks on their products in Singapore;
- (d) There is no doubt that the Applicants’  and the Opponents’  are very similar;
- (e) Despite the above matters, the Applicants and the Opponents have co-existed in Singapore since the Opponents commenced business in Singapore in 1996 to the present date; and
- (f) Despite this long period of co-existence, the Opponents have not furnished a single instance of actual confusion.

⁹ See paragraphs [94]-[109] of the GD for details.

Taking into account all the relevant circumstances, and bearing in mind that the burden of proof falls on the Opponents, the Registrar found that the Opponents had not established that there would be passing off in the present case.

Section 8(7)(b) of the Act (Copyright Infringement)¹⁰

The Opponents did not adduce any evidence as to the creation of the copyright works in question. Instead, they simply relied on two copyright certificates from the Canadian Intellectual Property Office and an undated Copyright Notice accepted by the New Zealand Customs Service.

By way of comparison, in *Auvi Pte Ltd v Seah Siew Tee and another* [1991] 2 SLR(R) 786 at [32] and [34], the opponents adduced evidence of an artist, who “*said that he was a member of a team of three persons who were delegated the task of creating a logo for the applicants...[and] that the AUVI logo was the result of the original creative work and labour of the members of the team under the supervision of John Lee*”, to establish the subsistence/originality of the artistic work in question.

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

Disclaimer: The above is provided to assist in the understanding of the Registrar’s grounds of decision. It is not intended to be a substitute for the reasons of the Registrar. The full grounds of decision can be found at <http://www.ipos.gov.sg/Services/HearingsandMediation/LegalDecisions/2014.aspx>.

¹⁰ See paragraphs [110]-[123] of the GD for details.