

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

Trade Mark No. T0812097B
Hearing Date: 25 November 2014

IN THE MATTER OF A TRADE MARK REGISTRATION BY

PT EIGERINDO MULTI PRODUK INDUSTRI

AND

APPLICATION FOR DECLARATION OF INVALIDITY BY

SPORTS CONNECTION PTE LTD


Hearing Officer: Ms Diyanah Binte Baharudin
Assistant Registrar of Trade Marks

Ms Joyce Ang and Ms Kwee Yi Jia (ATMD Bird & Bird LLP) for the Applicants
Ramdas & Wong for the Registered Proprietors (not represented at hearing)

Cur Adv Vult

GROUND OF DECISION

1 This is an application for a declaration of invalidity by Sports Connection Pte Ltd (the "**Applicants**") of the following registered trade mark, registered in the name of PT Eigerindo Multi Produk Industri (the "**Registered Proprietors**"):

Trade Mark No.	Representation of Mark	Class	Specification	Application Date
T0812097B		18	Net bags for shopping, purse,	4 September 2008


			rucksacks, school satchels, school bags, suitcase, travelling bags, umbrellas, vanity cases, wallets, wheeled shopping bags, lining of leather for shoes, bags for campers, all included in Class 18	
		25	Bandanas[neckerchiefs], bath sandals, bath slippers, beach clothes, beach shoes, belts [clothing], belts (money-)[clothing], boots, boots for sports, boots (iron fittings for-), boots (welts for-), braces for clothing [suspenders], cap peaks, caps [headwear], clothing, clothing for gymnastics, clothing of imitations of leather, clothing of leather, coats, coats (top-), cyclists' clothing, esparto shoes or sandals; fishing vests, fittings of metal for shoes and boots, football boots, football shoes, footwear, footwear (tips for-), footwear uppers, gaiters, gloves [clothing], gymnastic shoes, hats, headbands [clothing], headgear for wear, heelpieces for boots and shoes, heelpieces for stockings, heels,	4 September 2008

		hoods [clothing], inner soles, jackets [clothing], jackets (stuff-) [clothing], jerseys [clothing], jumpers [shirt fronts], knitwear [clothing], lace boots, layettes [clothing], linen (body-)[garments], mittens, money belts [clothing], motorists' clothing, neckties, non-slipping devices for boots and shoes, outerclothing, overalls, overcoats, pajamas (Am.), pants, parkas, pullovers, pyjamas, ready-made clothing, ready- made linings [parts of clothing], sandals, scarves, shirt fronts, shirts yokes, shirts, shoes, shoes (iron fittings for-), shoes (non- slipping devices for-), shoes (welts for-), shoulder wraps, shower caps, ski boots, skirts, skull caps, slips [undergarments], sock suspenders, socks, soles for footwear, sports (boots for-), sports jerseys, sports shoes, stocking suspenders, stockings, stockings (sweat-absorbent-), straps (gaiter-), studs for football boots [shoes], stuff jackets [clothing],	
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			suits (bathing-), sun visors, sweat-absorbent underclothing [underwear], sweaters, swimsuits, Tee-shirts, tips for footwear, trouser straps, trousers, trunks (bathing-), underclothing, underclothing (anti-sweat-), underpants, underwear, uniforms, vests, vests (fishing-), visors [hatmaking], waistcoats, waterproof clothing; all included in Class 25.	
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(the "**Registered Mark**"). The goods in Class 25 were included after an oral application to do so was allowed: see paragraph [18] below.

2 The Applicants are themselves registered proprietors of the following trade mark:

Trade Mark No.	Representation of Mark	Class	Specification	Registration Date
T8905544J		18	Bags covered in Class 18	22 August 1989

(the "**Applicants' Mark**")

Grounds of Invalidation

3 The Applicants rely on Section 23(3)(a)(i) read with Section 8(2)(b) of the Trade Marks Act (the "**Act**"), Section 23(3)(a)(iii) read with Section 8(4) of the Act, Section 23(3)(b) read with Section 8(7)(a) of the Act and Section 23(1) read with Section 7(6) of the Act.

Applicants' Evidence

4 The Applicants' evidence comprises of the Statutory Declaration of Yee Kok Chew dated 2 August 2012 ("**Applicants' SD**").

Registered Proprietors' Evidence

5 The Registered Proprietors did not file any evidence in these proceedings.

Applicable Law and Burden of Proof

6 As the applicable law is the Act, there is no overall onus on the Registered Proprietors either before the Registrar during examination (when the Registered Marks were still pending) or in invalidation proceedings. The burden of proof in respect of the invalidation falls on the Applicants.

Background

7 This matter has had a somewhat troubled procedural history at IPOS since the filing of the present application more than 3 years ago. I will set out the salient points of this history below, for the record.

8 The Applicants filed and served the present application on 26 May 2011. On 8 July 2011, the Registered Proprietors sought an extension of time to file their Counter-Statement ("CS"), noting that the due date for the filing of the CS was 26 July 2011. On 22 July 2011, the Principal Assistant Registrar ("**PAR**") granted the Registered Proprietors an extension of time up till 26 September 2011 to file their CS. However, no CS was filed by this date. On 31 October 2011, the Registrar requested for the parties to attend a Case Management Conference ("**CMC**"). At the CMC, the Applicants questioned why the Registered Proprietors should be allowed to participate in the proceedings as no CS had been filed. The PAR pointed to Rule 58 of the Trade Marks Rules (Rev. Ed. 2008) (the "**Rules**"), which did not bar them from continuing to participate in the IPOS proceedings.

9 The Applicants asked the PAR to reconsider her decision, and eventually applied for an interlocutory hearing in this regard. Both parties submitted written submissions and authorities. However, on 17 February 2012, the Applicants' application was refused and the directions given at the CMC were to stand. The Applicants filed an Originating Summons ("**OS**") to the High Court on 14 March 2012, requesting for the orders given by the PAR to be set aside in their entirety and for the application for declaration of invalidity to be granted. However, the Applicants later withdrew this OS pursuant to directions by the High Court judge.

10 The invalidation proceedings at IPOS resumed and the Applicants filed and served their evidence in support of the invalidation proceedings on 3 August 2012. According to the applicable Rules, the Registered Proprietors were to file their evidence by 3 October 2012. The Registered Proprietors did not file evidence by the deadline. On 12 October 2012, the PAR wrote to both parties informing them that the Registered Proprietors are deemed to admit to the facts alleged by the Applicants, per Rule 33(3) read with Rule 59(2)(d) of the Rules. The Registered Proprietors then wrote to the PAR on the same day to request for an extension of time for 2 months, as they were under the impression that the timelines given at the CMC were applicable, not those in the statute. This led to an interlocutory hearing on the issue of whether the Registered Proprietors should be granted an extension of time beyond the statutory deadline. The hearing was scheduled for 19 December 2012.

11 On 3 December 2012, the Registered Proprietor sent a document titled "Statement of Issues" to IPOS and the Applicants. However, on 10 December 2012, the PAR wrote to both parties informing them that this document was irrelevant to the interlocutory hearing, as it was not filed pursuant to the issue at stake. The interlocutory hearing proceeded on 19

December 2012. The PAR directed the Applicants to consider if they wished to consent to the Registered Proprietors' request for an extension of time and whether or not to continue with negotiations in the hope of settlement. The Applicants did not consent and the Registered Proprietors were deemed to admit to the facts alleged by the Applicants under Rule 33(3) and Rule 59(2)(d) of the Rules.

12 Between January 2013 to October 2013, the parties were engaged in settlement negotiations. However, on 10 October 2013, the Applicants wrote to inform the PAR that the parties were unable to arrive at a settlement, and for a hearing date to be given. A Pre-Hearing Review ("**PHR**") was fixed on 30 October 2013.

13 At the PHR, the Registered Proprietors indicated, for the first time in the invalidation proceedings, that they wished to cross-examine the Applicants' deponent, Mr Yee Kok Chew, during the hearing of the matter. The Assistant Registrar ("**AR**") gave the Registered Proprietors leave to file an application for such cross-examination. An interlocutory hearing was fixed for 4 February 2014. After considering parties' oral and written submissions, the AR allowed the Registered Proprietors' application for cross-examination in part. Cross-examination was limited to paragraphs [21]-[26] of the Applicants' SD. The full decision for this interlocutory hearing is reported as *Application for Cross-Examination by PT Eigerindo Multi Produk Industri and Objection Thereto by Sports Connection Pte Ltd [2014] SGIPOS 2* ("**[2014] SGIPOS 2**").

14 The AR wrote to parties on 18 July 2014 to indicate that the matter was ready for hearing. The Applicants wrote back to indicate their available dates for a hearing. The agents for the Registered Proprietors, on the other hand, wrote to inform the AR that they wished to discharge themselves from acting further in the proceedings, in a letter dated 24 July 2014. The AR replied on 5 August 2014 to inform the agents for the Registered Proprietors that they would have to file a Form TM 1 (under the Rules) to request for a change of address of service, failing which she would proceed to fix a date for hearing. As no Form TM 1 was filed, the agents for the Registered Proprietors remained on record, and the matter was fixed for a hearing on 25 November 2014, with written submissions due on 27 October 2014. The agents for the Registered Proprietors wrote to the AR on the same day (4 September 2014), informing that they had forwarded the Form TM 1 to their clients for them to file, and that they could not do the same on behalf of their clients because their clients did not have a Singapore address. Nevertheless, they took the position that they "have discharged [themselves] from acting for [the Registered Proprietors]." The AR wrote on 10 September 2014, informing the agents for the Registered Proprietors that they were still on record for the purposes of all proceedings in respect of T0812097B, as long as no Form TM 1 was filed, and asked the agents for the Registered Proprietors if they were going to attend the hearing (given that they had obtained leave for cross-examination of the Applicants' deponent). On 12 September 2014, the agents for the Registered Proprietors said that they would not be attending the hearing on 25 November 2014. The hearing therefore proceeded on a *de facto ex-parte* basis.

Preliminary Issue

15 The Applicants submit that, as a preliminary issue, the Registered Proprietors are deemed to have admitted to the facts alleged by the Applicants in their application in accordance with Rule 33(3) read with Rule 59(2)(d) of the Rules, despite the outcome in **[2014] SGIPOS 2** (see paragraph [13] above). The Applicants highlighted that, in **[2014]**

SGIPOS 2, I had gone on to state that "a strict application of Rule 33(3) read with Rule 59(2)(d) is warranted where there is complete silence by the defaulting party, as in the case of *Morton's* (referring to *Morton's of Chicago Inc v Lone Star Restaurants Limited [2011] SGIPOS 2*)." The Applicants submitted that the current situation amounted to "more than complete silence" and that a strict application of Rule 33(3) read with Rule 59(2)(d) was therefore warranted (see Applicants' Written Submissions at [30]-[31]).

Decision on Preliminary Issue

16 The application of Rule 33(3) and Rule 59(2)(d) in relation to the present proceedings was substantively discussed in the context of **[2014] SGIPOS 2**. The effect of the order, that cross-examination was allowed in part to a total of five paragraphs (paragraphs [21], [23], [24], [25] and [26]) in the Applicants' SD, essentially means that the rest of the facts contained in the other paragraphs of the Applicants' SD were *already* deemed admitted by the Registered Proprietors by operation of law.

17 At the point of the hearing, these five paragraphs could have been subjected to cross-examination, but the agents for the Registered Proprietors, due to communication (and perhaps other) difficulties with the Registered Proprietors, indicated that they would not attend (and indeed did not attend) the oral hearing for this matter. Consequentially, the Registered Proprietors did not cross-examine the deponent of the Applicants' SD. As such, they are deemed to have admitted to the facts in paragraphs [21], [23], [24], [25] and [26]) in the Applicants' SD, by operation of Rule 33(3) read with Rule 59(2)(d) of the Rules.

Oral Application to include Class 25 in the present proceedings

18 At the hearing on 25 November 2014, the Applicants made an oral application to include Class 25 of the Registered Mark in the present proceedings (as stated at paragraph 1 above).

19 The Applicants' Form TM 28, filed on 26 May 2011, had indicated that the application for invalidation was in respect of Class 18 and Class 25. The accompanying Statement of Grounds referred to Class 18 and Class 25 of the Registered Mark in some paragraphs (e.g. paragraphs 4, 21). However, in other paragraphs, the particulars referred only to goods in Class 18 (e.g. paragraphs 2, 12, 15). As such, the Applicants were of the view that they were bound by their Statement of Grounds, which referred only to Class 18 of the Registered Mark. Thus, they filed their Form TM 13 in respect of one class only. At the hearing, the Applicants explained that they did not seek any amendment application earlier as they did not want to complicate matters further by doing so.

20 I allowed the oral application by the Applicants and further granted leave requested by the Applicants to file supplemental submissions on the issue of similarity between the goods of the Registered Proprietors in Class 25 and the Applicants' goods. From their Form TM 28, it is clear that the application was intended to have been made in respect of both Class 18 and Class 25. If I were to disallow the application, the Applicants would have to re-file a separate set of invalidation proceedings for Class 25 of the Registered Mark. This would incur unnecessary time and costs and detracts from IPOS' value proposition as a low-cost tribunal.

21 Pursuant to my directions, the Applicants filed their supplemental submissions and a

supplemental bundle of authorities on 9 December 2014. I will consider these submissions in the course of my decision.

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

22 Section 23(3) of the Act reads:

23.—(3) The registration of a trade mark may be declared invalid on the ground—

(a) that there is an earlier trade mark in relation to which —

(i) the conditions set out in section 8(1) or (2) apply;

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

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

8. — (2) A trade mark shall not be registered if because —

...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,
there exists a likelihood of confusion on the part of the public.

The step-by-step approach

24 The Singapore Court of Appeal in *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 ("*Staywell*") has recently affirmed the "step-by-step" approach to determining similarity between competing marks under Section 8(2)(b) of the Act, at [15]:

Since this court's decision in *Polo (CA)* [*The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR(R) 690], our courts have given effect to this statutory wording by applying what is now known as the "step-by-step" approach, as opposed to the competing "global appreciation approach" applied in Europe... **Under the step-by-step approach, the three requirements of similarity of marks, similarity of goods or services, and likelihood of confusion arising from the two similarities, are assessed systematically. The first two elements are assessed individually before the final element which is assessed in the round...** Whilst there have been suggestions that the two approaches might be distinct without being different, we maintain this dichotomy and endorse the step-by-step approach as being conceptually neater and more systematic and, importantly, as being more aligned with the requirements imposed under our statute (see *Polo (CA)*) at [8]. (Emphasis added)

Similarity of Marks: General Principles

25 In assessing whether the competing marks are similar, three aspects of the marks are taken into consideration, *viz.*, whether they are visually, aurally and conceptually similar: *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 ("*Hai Tong*") at [39], affirming an earlier Court of Appeal decision in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika (CA)*") at [16]. The Court of Appeal in *Hai Tong* elaborated further at [40] on other general principles in this assessment:

- a) The thrust of the inquiry into similarity is directed at assessing substantive similarity. The three aspects of this evaluation, namely, visual, aural and conceptual similarities, aid the court's evaluation by signposting its inquiry. They do not serve as a mechanistic formula of any sort. It follows that the law does not require all three similarities...to be made out before the registered mark and the allegedly infringing mark may be found to be similar.
- b) In assessing the similarity between two competing marks, the court considers them "as a whole" (see *City Chain* at [47] and [50]), but does not take into account "any external added matter or circumstances" because the comparison is "mark for mark"...
- c) Although the focus of this part of the inquiry is on the marks in question, it is necessary to set out the viewpoint that the court should assume. This viewpoint is that of the average consumer who would exercise some care and a measure of good sense in making his or her purchases, not that of an unthinking person in a hurry...
- d) Furthermore, it is assumed that the average consumer has "imperfect recollection" (see *MediaCorp* at [33], citing *Nautical Concept Pte Ltd v Jeffery Mark Richard and another* [2007] 1 SLR(R) 1071 ("*Nautical Concept*") at [30]). As such, the two contesting marks are not to be compared or assessed side by side and examined in detail for the sake of isolating particular points of difference. Instead, the court will consider the general impression that will likely be left by the essential or dominant features of the marks on the average consumer...



26 In particular, the Court of Appeal in *Staywell* at [20] affirmed *Hai Tong* at [40(b)] and held that:

...the assessment of marks similarity is mark-for-mark, without consideration of any external matter: see *MediaCorp* at [33], *Sarika* at [17] and *Hai Tong* at [40(b)]. **This means that at the marks similarity stage this even extends to not considering the relative importance of each aspect of similarity having regard to the goods.** This does not mean that the court ignores the reality that the relative importance of each aspect of similarity might vary from case to case and will in fact depend on all the circumstances including the nature of the goods and the type of marks, as we observed in *Hai Tong* at [40(b)]. **Rather, such considerations are properly reserved for the confusion stage of the inquiry, because that is when the court is called upon to assess the effect of**

objective similarity between the marks, on the perception of consumers. We recognise that this reflects a slight departure from the approach taken by the High Court in *Festina Lotus SA v Romanson Co Ltd* [2010]4 SLR 552 at [55]-[56], and by this court in *Sarika* at [38]. (Emphasis added)

Visual Similarity

27 For ease of reference only, the competing marks are set out below:

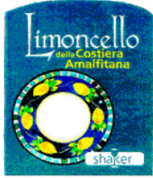
Registered Mark	Applicants' Mark
	

28 The Applicants submit that the textual component of the marks, namely, "BODYPAC" and "BODYPACK" are the dominant and distinctive components of the competing marks (set out above), because they are large and prominent in relation to the other components.

29 The Court of Appeal has comprehensively dealt with the issue of when a composite mark may be considered to have a "dominant component," in *Hai Tong* at [41]-[67]. In this particular case, we consider whether the textual component of the composite mark can be the dominant component of the mark. With regard to this particular issue, the Court of Appeal in *Hai Tong* held at [62(d)] that:

- (d) The textual component of a composite mark or sign could (but will not necessarily or always) be the dominant component of the mark or sign. Some instances where this might be the case include where:
 - (i) The two marks or signs in question each contain a similar device. The overall resemblance between them may be diminished if they bear words that are entirely different from each other (see *Lee Cooper* at 501).
 - (ii) The textual component is large, and is in a prominent location in relation to the other components or stands out from the background of the mark or sign (see the decision of the CFI in *Shaker di L Laudato & C Sas v Office for Harmonisation in the Internal Market (Trade Marks and Designs)* (Case T-7/04) [2009] ETMR 16 ("*Shaker (CFI)*") at [41]-[43]).
 - (iii) The textual component is in itself already widely known (see *Festina* ([52] supra) at [33], *Medion* at [34] and *Crazy Ron's* at [99]).
 - (iv) The composite mark or sign is applied to goods or services marketed or sold primarily through online trade channels (see *Festina* at [55] and *Intuition Publishing* at [64]-[65]).

30 Based on the facts of the present case, it would appear to me that factor (d)(ii) above would be the most relevant. In *Shaker (CFI)*, the competing marks were as follows:

Earlier Mark	Application Mark
LIMONCHELO	

31 In *Shaker (CFI)*, the Court of First Instance ("CFI") held at [41]-[42] that

41 It should be noted, first, that the figurative component of the trade mark applied for, consisting of the representation of the round dish decorated with lemons, occupies a place visually as important as 'limoncello' in the mark. Then, it should be noted that the words "della", "costiera" and "amalfitana" are placed beneath the word "limoncello" and are written in much smaller yellow letters and, therefore, are clearly secondary in relation to the word "limoncello". As regards the word "shaker", it is only just visible in the mark taken as a whole, as it is located at the bottom of the mark and is written in little blue letters in a frame with a white background. The image of the glass in the letter "k" goes almost unnoticed. The component "shaker" is thus negligible in the overall impression created by the trade mark applied for.

42 Moreover, it should be recalled that consumers of the goods in question usually describe and recognise the goods in question by reference to the verbal elements which identifies them...Inasmuch as the figurative component of the trade mark applied for consists solely of a round plate decorated with lemons, that component does not attract the attention of the average consumers of the goods in question, who are regularly confronted with images of lemons affixed to lemon-based liqueurs. The word which the relevant public will remember is, rather, the word "limoncello", in view of its prominent location and its position in relation to the other components, the fact that it is written in large white letters on a blue background, and its size as compared with all the other word components of that composite mark. Thus, Shaker's claim is that although the round plate decorated with lemons constitutes a decorative component, it is much more likely than the word component to distinguish the goods described, and to capture the attention of the relevant consumer, cannot be accepted.

32 In light of the Court of Appeal's latest decision in *Staywell*, the "extraneous factors" considered in *Shaker (CFI)* at [42] – ie. the manner in which the consumers of the goods "usually describe and recognise the goods in question by reference to the verbal elements which identifies them" and "who are regularly confronted with images of lemons affixed to lemon-based liqueurs" – cannot be taken into consideration at the marks similarity stage of assessment.

33 In this case, I agree that the word component in each of the competing marks is the dominant element of these marks. The textual component is given some prominence in each mark, the Applicants' Mark being in a centralized position, in a bold font that allows the text

to stand out against the comparatively faint lines of the background device. In the Registered Mark, the textual component "BODYPACK" is the centrepiece of the mark, with a smaller device flanking its left hand side, and a much smaller sub-line of text "digital case" underneath the main textual component, indicating that it is less important. Furthermore, both devices in the Applicants' Mark and the Registered Mark are simple geometric shapes or decorative elements that do not evoke any particular meaning for the consumer. I find the cases of *Yakult Honsha Kabushiki Kaisha* (Case T-276/09) [2012] ETMR 45 ("*Yakult*") and *Trubion Pharmaceuticals, Inc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM)* (Case T-412/08) [2009] ECR II-239 ("*Trubion*") instructive on this point. These cases were cited and discussed by the Court of Appeal in *Hai Tong* at [56], [57], [62], in formulating the general principles applicable to the analysis of a dominant component within composite marks.




34 In *Yakult*, the relevant mark was , registered in Class 29 and Class 32. The General Court held at [46]-[47] that

46 As for the graphic element of the earlier figurative mark, the only element capable of being distinctive consists of shapes similar to brackets which merely surround the word element "yakult". That element cannot be regarded as the dominant element in the overall impression produced by the sign Yakult. **It is a sort of outline, in oval form, that is to say, a simple geometric form which will not evoke any particular concept for the average consumer.**

47 In that regard, as the Board of Appeal noted in para.23 of the contested decision, the Court has already held that **an oval outline is clearly of secondary and accessory importance** in comparison with the central element that it surrounds (see *Saint-Gobain Pam SA v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) – Propamsa (PAM PLUVAL)* (T-364/05) [2007] E.C.R. II-757 at [98]). (Emphasis added)



35 In *Trubion* (also cited by the Applicants), the relevant mark was . The General Court held, at [44], that:

As regards the figurative element, although it is larger than the word element of the earlier mark, **it is not arranged in a specific, original or elaborate manner, in such a way that it might significantly influence the overall impression produced by the earlier sign.** Moreover, as OHIM rightly states, that figurative element has **no clear semantic content** on its own. (Emphasis added)

36 In the present case, the device component in the Registered Mark is that of a simple and relatively common geometric shape (a diamond shape) and is "clearly of secondary and accessory importance" to the word "BODYPACK". Furthermore, it is not particularly evocative of any particular concept and does not "significantly influence the overall

impression of the design." The words "digital case" are clearly subordinate to the word "BODYPACK", as they are written in much smaller font and placed physically below the much larger textual component "BODYPACK." The Applicants' Mark, on the other hand, also employs a simple device of an "indented rectangle" (as it is described by the Applicants in their written submissions at [43]) which, although not as generic as the device of the diamond shape, does not have any clear semantic content on its own and appears to be an abstract, decorative shape that forms the background to the word "BODYPAC."

37 Given that I have found that the dominant components of the competing marks are "BODYPACK" and "BODYPAC" respectively, I find that they are visually similar. In *Sarika (CA)* at [23] the Court of Appeal compared the length of the competing marks/signs (the "Nutello" sign and the "Nutella" word mark), the structure of the sign and the mark and the letters in each word, finding that they were essentially the same, save for the last letter. The court then applied the principle of "imperfect recollection" and held that "it would not be difficult to conclude" that the "Nutello" sign and the "Nutella" mark are visually similar given the difference of only one letter. Importantly as well, the court also held that "regardless of the font, typeface or design of the "Nutello" sign used by the Appellant...the mark and sign are still similar" (*Sarika (CA)* at [24]).


38 Applying the principle of imperfect recollection of the consumer, that "comparisons are usually made from memory, removed in time and space from the actual marks in question" (*Sarika (CA)* at [18]), and that the competing marks are not to be compared or assessed side by side and examined in detail for the sake of isolating particular points of difference (*Hai Tong* at [40] cited above at paragraph [24]), I find that the general impression that would be likely left in the mind of the consumer is that the competing marks are visually similar. The letters in "**BODYPAC**" and "**BODYPACK**" share the same letters (as indicated in bold and underlined) except for the last letter, "K". Given the difference of only the final letter, and the fact that the final letter does not add any particular visual significance to the dominant component, I find that the average consumer is likely to find that the competing marks are visually similar.



Aural Similarity

39 In the IPOS decision of *Fox Street Wear Pte Ltd v Fox Racing, Inc* [2014] SGIPOS 13 ("*Fox*"), the Principal Assistant Registrar ("**PAR**") noted that the Court of Appeal in *Staywell* 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" (see *Fox*, at [68], citing *Staywell* at [31]-[33]).

40 It was observed in *Fox* that the Court of Appeal in *Staywell* appeared to endorse the High Court's approach in considering the dominance of the word "Regis" in the competing



trade mark "St Regis" and application mark " PARK REGIS". The Court of Appeal continued to find that "there is a high degree of aural similarity between the competing marks because of the distinctiveness of the common "Regis" component in both the technical and non-technical senses" (*Staywell* at [33]). In *Fox* at [70], the PAR suggested that the proper approach to take would depend on the facts of each individual case, and in the current situation, it was how the average consumer would pronounce these marks that mattered to the comparison. The PAR

considered how the opponents' marks, *inter alia*, "  " and the application mark "  " would be perceived by the average consumer and held that they would both likely be pronounced as "FOX". The words "What's Stopping You?" and "Fox Street Wear" in the application mark were not taken into account.

41 Similarly, in the recent High Court decision in *Han's (F&B) Pte Ltd v Gusttimo World Pte Ltd* [2015] SGHC 39 ("Han's"), the court considered the perspective of the average consumer and the doctrine of imperfect recollection in deciding aural similarity of








Han's

HAN'S

Han's

Han's

the "HAN sign" ("  ") and Han's trade marks "  ", "  ", "  ", and "  ". In particular, at paragraph [137] the High Court held:

In my view, there is phonetic similarity between the HAN sign and the Han's trade marks. **The main phonetic component of the HAN sign is "HAN". "Cuisine of Naniwa" is subsidiary. It is doubtful that the average consumer would make constant reference to the seven-syllable "HAN Cuisine of Naniwa" phrase every time he refers to it. "HAN" and "Han's" are both single-syllable words which share similar pronunciations. Adequate allowance must be made for imperfect recollection and careless pronunciation and speech: *Future Enterprises Pte Ltd v McDonald's Corp* [2006] 4 SLR(R) 629 at [12]. The slightest mispronunciation would result in complete identity. There is, therefore, phonetic similarity between the HAN sign and the Han's trade marks. (Emphasis added)**

42 Following from these cases, I consider how the average consumer would pronounce or recall the Registered Mark in his imperfect recollection. The Registered Mark comprises of the word "Bodypack" and "digital case", where the latter appears in much smaller font and in a position subordinate to the former. As such, I find that the average consumer is likely to pronounce or recall only the dominant component of the Registered Mark, which is "Bodypack". Both the dominant word components of the competing marks have 3 syllables, all of which sound alike (ie. "BO"- "DY" -"PACK" / "BO"- "DY" -"PAC"). I accept the Applicants' submission that the letter "K" contained in the Registered Mark does not make any discernible aural difference to its pronunciation because it produces the same sound as the letter "C". Given the aural similarity in pronunciation of the competing marks, I find that they share a very high degree of aural similarity.

Conceptual Similarity

43 In considering whether there is conceptual similarity, the inquiry is directed at the ideas that lie behind or inform the marks or signs in question: *Hai Tong* at [70]. However, the consideration of these ideas that lie behind the mark is limited to an analysis of the concepts that can be derived from the elements present in the sign at surface value: *Lacoste v Carolina*

Herrera Ltd [2014] SGIPOS 3 at [56], citing *Sarika* at [34] and *Staywell* at [34]-[37].

44 The competing marks, "BODYPACK" and "BODYPAC" would appear to the average consumer as two words, "BODY" and "PACK", that have been put together to convey the impression of a "pack" or something similar such as a "pouch" or other small bag that can be slung across or carried on the "body". Given that "PAC" is meaningless in and of itself, the average consumer may think of it as either a "PACK" (by mental association with the word "PACK"), therefore giving it the same conceptual meaning, or the average consumer may think of it as a word used to describe some type of gear that is used or carried or associated with the "body". The words "digital case" in the Registered Mark may convey the concept of it being a case for digital products that is a subset of a pack for the body (e.g. a handphone pouch slung across the body, or a laptop case strapped to the body). In my mind, it does not change the general concept of the mark such as to render it conceptually different from the Applicants' Mark. I find that the competing marks are therefore conceptually similar.

Conclusion on marks similarity

45 Based on the foregoing analysis, I find that the Registered Mark and the Applicants' Mark have a substantial degree of aural similarity, and a moderate degree of visual and conceptual similarity. On the whole, I find that the similarity of the competing marks has been established for the purpose of Section 8(2)(b) of the Act.

Goods Similarity

46 The Court of Appeal in *Staywell* at [82] described the test for goods similarity as follows:

On similarity of goods or services – extraneous factors may be relevant to establish the degree of similarity as between goods and services that are not identical in infringement cases and in opposition proceedings where the applicant's and proprietor's goods and services are registered or to be registered in different classes or specifications. **Such extraneous factors are some of those identified in *British Sugar*, in particular the uses and the users of the goods and services in question, their inherent nature and the extent to which they are competitive.** Extraneous factors are not to be considered if the goods and services are identical, because there will be no need to determine how similar they are (see [42] above). Goods and services will be regarded as identical where they are registered or to be registered in the same class and specification in opposition proceedings, while in the infringement context it will be permissible to have regard to the classification in which the allegedly infringing item or service would have been inserted had the alleged infringer sought registration of his mark. (Emphasis added)

47 In particular, for opposition proceedings, the Court of Appeal in *Staywell* highlighted at [57]-[58] that

In opposition proceedings, the contest is between the holder of an existing registered trade mark who opposes the proposed application, and the applicant who is seeking to register a new mark. The opponent enjoys certain monopoly rights associated with the use of its mark and it opposes the registration of the

applicant's mark on the grounds that such registration would entail unwarranted interference with those monopoly rights, **whether or not these are already being exercised.**

It is useful to note that under section 26 of the Trade Marks Act, registration confers the exclusive right on the proprietor of the mark "in relation to the goods or services for which the mark is registered"... **This means that once the applicant has registered his trade mark, he acquires the exclusive right to use the mark not only for the goods and services which he might have actually contemplated at the time registration was granted, but for the whole spectrum of goods and services within the specification for which the mark is registered...**(Emphasis added)

48 The significance of the class and specification of the goods is described in *Staywell* at [40] and [41]:

40 ...Following the dictum of [Lai J] in *Polo (HC)* at [33], the Judge stated that registration in the same category establishes a prima facie case for similarity. This invites some clarification. We think that what Lai J was referring to was registration in the same specification. **We would go further to say that registration in the same *specification* within a class establishes a *prima facie* case for identity.** This is because it is not within the scheme of the classification system to make distinctions within a specification based on whether the particular product is targeted at one or another market segment.

41 ...Where a good or service in relation to which registration is sought **falls within the *ambit of the specification*** in which the incumbent mark is registered, **the competing goods or services would be regarded as identical** (see *Gerard Meric v OHIM, Case T-133/05 ("Gerard Meric")* at [29]) (Emphasis added)

49 In *Gerard Meric* at [29], it was held that:

...goods can be considered as identical when the goods designated by the earlier mark are included in a more general category, designated by the trade mark application...or when the goods designated by the trade mark application are included in a more general category designated by the earlier mark (Case T-104/01 *Oberhauser v OHIM – Petit Liberto (Fifties)* [2002] ECR II-4359, paragraphs 32 and 33)

50 In *Gerard Meric*, the Court of First Instance ("CFI") held that the following goods were " identical or at least very similar to" each other:

Application mark	Earlier Community Trade Mark
Class 16 – napkin-pants made out of paper or cellulose (disposable)	Class 25 – any ready-made clothing, in particular <i>napkin pants</i> , footwear

51 Similarly, in the present case, the Registered Proprietors' goods refer to various **types of bags** such as "net bags for shopping, rucksacks, school satchels, school bags, travelling

bags, wheeled shopping bags, bags for campers, all included in Class 18", whilst the Applicants' goods simply refers to **bags in general**. In my view, the Registered Proprietors' goods fall within the ambit of the specification of the Applicants' goods, as they are essentially a subset of the Applicants' goods. Following the decision of **Gerard Meric** (referred to by our Court of Appeal in **Staywell** at [41]), I find that the Applicants' and Registered Proprietors' goods in Class 18 are identical or at the very least highly similar. As such, there is no need for me to consider any extraneous factors for this category of goods.

52 I now turn to the Applicants' contention that the Registered Proprietors' goods in Class 25 are similar to the Applicants' goods in Class 18. The Court of Appeal in **Staywell** at [82] (see paragraph [46] above) states that extraneous factors may be relevant to establish the degree of similarity as between goods and services that are not identical and are registered in different classes or specifications. These extraneous factors are "some of those identified in **British Sugar**, in particular, the uses and the users of the goods and services in question, their inherent nature and the extent to which they are competitive."

53 In particular, the issue of whether goods in Class 25 and Class 18 are similar was considered in the IPOS decision of **Fox**. In **Fox**, the PAR recognized that this issue was considered in several cases in Singapore, UK and Europe, namely, in **Itochu Corporation v Worldwide Brands, Inc.** [2007] SGIPOS 9 ("**Itochu**"), **Festina Lotus SA v Romanson Co Ltd** [2010] SGHC 200 ("**Festina**"), **QS by S. Oliver Trade Mark** [1999] RPC 520 ("**QS**"), and **Asos plc v Office for Harmonisation in the Internal Market (Trade Marks and Designs) (OHIM) Case T647/11** ("**Asos**").

54 The Applicants submit that "it has become a market norm for goods relating to sporting and outdoor activities to be offered by a single brand entity, for example, "Nike", "Adidas", "Timberland" and "Billabong" – each for a wide range of outdoor and sporting goods ranging from bags to hats to visors" (Applicants' Supplementary Written Submissions, at [167]). The Applicants classify the Registered Proprietors' goods in Class 25 as "accessories for outdoor or sporting activities" and are thus "complementary goods" to the Applicants' goods. They would share the same end-users, be placed on the same shelves in a store, or at least within the same shop or sector of a department store, and are complementary in nature. The Applicants also submit that the name "Sports Connection" used by them generates the perception to the public that the shop sells equipment and paraphernalia for sporting or outdoor activities, and that it is "perfectly conceivable" for the Applicants to expand the use of the mark to shoes, clothing and headgear for outdoor activities under Class 25.

55 As for certain goods such as "belts [clothing], boots, footwear, gloves [clothing], headgear for wear, hoods [clothing] jackets [clothing], jumpers [shirt fronts], motorists' clothing, outerclothing, overalls, overcoats, pants, parkas, pullovers, ready-made clothing, sandals, scarves, shoes, skirts, stocking, stuff jackets [clothing] and vests", the Applicants say that whilst they do not *prima facie* belong to the category of accessories for outdoor or sporting activities, they should still be viewed as similar to the Applicants' goods. Their submission is that each of these goods "can serve a multitude of purposes" such as "skirts" for sports such as tennis skirts, or "gloves" for training gloves, golfing gloves, or simply fashion accessories.

56 In **Festina**, the High Court compared the similarity of goods in the following classes/specifications:

Appellants (proprietor of relevant trade mark)	Respondents (trade mark applicant)
Class 9 Spectacles	Class 14 Wrist watches, electric watches, desk clocks, alarm clocks, necklaces, rings, bracelets, earrings, medals and brooches.
Class 18 Leather and imitation leather; goods made of these materials and not included in other classes; animal skins and hides, trunks and suitcases; umbrellas; parasols and walking sticks; whips, harness and saddlery	
Class 25 Clothing and footwear	

57 The Appellant argued that these goods were all "fashion accessories" or "lifestyle goods" and that there was a trend among fashion designers to license out their name or engage in brand extension. The High Court agreed with the Appellant and held at [71]-[73] of *Festina* that these goods were similar, except for "walking sticks, whips, harness and saddlery":

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

72 Applying the *British Sugar* ([66] *supra*) test to the present facts, it would be reasonable in the modern context to regard the goods in Classes 9, 14, 18 (trunks and suitcases and, in some instances, even umbrellas and parasols) and 25 as complementary in nature and are likely to be of similar uses, targeting almost identical end users and employing similar if not identical trade channels by which the goods reach the market. Thus, there is *some* similarity between "necklaces, rings, bracelets, earrings, medals and brooches" in the Respondent's application and the goods for which the Appellant's other marks are registered in Classes 9, 18 (the items specified above) and 25.

73 However, the Appellant's inclusion of the other goods in Class 18, such as walking sticks, whips, harness and saddlery, as "fashion accessories" would appear to be too over-reaching. To say that these items are "fashion

accessories" which are *similar to* "necklaces, rings, bracelets, earrings, medal and brooches" would be to put an unnatural strain on the average consumer's perception of what fashion accessories are. Thus, these items are not similar to the Class 14 goods in the Respondent's application.

58 In *Sarika (CA)*, the Appellant's goods comprised of a "Nutello" beverage, described as "a new gourmet hot coffee beverage served in a shot glass under the "Nutello" sign in its cafes" and with ingredients comprising of "espresso, milk foam, cocoa powder and nutella spread, amongst others." (*Sarika (CA)* at [4]) The Respondent had registered various trade marks, including a plain word mark "NUTELLA" for, *inter alia*, "chocolate products" (*Sarika (CA)* at [3]). The Court of Appeal cautioned at [46] that "the concept of similarity of goods should not be over extended or be interpreted too broadly" and held at [48] that:

We do acknowledge that the "chocolate products" specification could, on a plain reading of the term, cover a whole range of foodstuff and items. It could include things like chocolate powder, mocha, or even items like chocolate-flavoured body lotion. However, it is not true that simply because of this holding the Respondent would *ipso facto* have a monopoly of the "Nutella" word, or closely related variations, over what is an extensive range of all chocolate products imaginable. This is because a registered owner still needs to establish further the third element, namely, likelihood of confusion, in order to make out a successful case of trade mark infringement.

59 The Court of Appeal noted that the *British Sugar* test was difficult to apply to that case because of the need to compare the Appellant's product not only with the actual Nutella product (i.e. the Nutella spread) but also with the specification of the registration (i.e. "chocolate products"). The court went on to consider each of the *British Sugar* factors for "a narrow comparison between two actual products", but stated that if the proper comparison is between the Appellant's beverage and the specification "chocolate product", the *British Sugar* test may not be applicable, *Sarika (CA)* at [53]:

Having said that, if the proper comparison to be made is between the Nutello beverage and the "chocolate product" registration specification, which we think is the case, then many of the *British Sugar* factors may not be applicable as they were premised on comparing two actual products. In so far as the specification of the "Nutella" mark extends to products which have not yet been produced by the Respondent, then the *British Sugar* factors may not be entirely helpful in the conduct of the similarity analysis. At the end of the day, the question would depend on whether the Nutello beverage can be considered a "chocolate product". From the evidence from the market survey and internet blogs, various consumers have commented on the Nutello beverage's chocolate nature (such as its chocolate taste and chocolate content). This indicates rather persuasively that the Nutello beverage has in practice been regarded as a "chocolate product" by those who have consumed it. While not conclusive, it shows that the Nutello beverage can be considered to fall within the "chocolate product" specification. Bearing in mind that the "chocolate product" specification is not only restricted to the traditional solid form of chocolate products, but also encompasses all forms or textures such as powder and even viscous liquids/viscous products like the Nutella spread and the Nutello

beverage, the similarity is obvious. It seems to us that one reason the Judge refrained from holding that the "Nutello" product was a chocolate product (*ie*, identical to a chocolate product) was essentially because under the same Class 30 of ICGS there are the following separate categories of goods: "Beverages (Chocolate-based)", "Beverages (Cocoa-based)", "Chocolate beverages with milk" and "Chocolate-based beverages". Although the Respondent could have done so, it did not register the "Nutella" mark against these categories of products under the same class. **In the result, we agree with the Judge that the Nutello beverage is not identical but similar to "chocolate products". It seems to us that these products (*viz*, "Beverages (Chocolate-based)", "Beverages (Cocoa-based)", "Chocolate beverages with milk" and "Chocolate-based beverages" *et al*), which are listed under the same Class 30 ICGS as "chocolate products", are simply further particularisation of "chocolate products" and are thus similar to "chocolate products".** Of course, had the Respondent registered the "Nutella" mark against "Beverages (Chocolate-based)" or "Chocolate-based beverages", it would probably have been a case of "identical" rather than "similar" products. Therefore, in light of the preceding analysis, we are of the view that the "Nutella" and "Nutello" products are similar.

60 In the context of opposition proceedings, the Court of Appeal has stated that "it will generally not be relevant to consider extraneous factors that relate to the actual and particular circumstances and the ways in which the mark was used on the goods in question", although, if they are considered, such extraneous factors may be relevant to establish the degree of similarity (and not identity). These "extraneous factors" are "in particular, the uses and the users of the goods and services in question, their inherent nature and the extent to which they are competitive." (*Staywell* at [82], cited at paragraph [46] above).

61 The court in *Festina* had reference to the case of *QS* in making its decision. In *QS*, the UK Trade Marks Registry considered goods similarity in relation to goods in Class 18 and Class 25 – the same classes of goods that are being considered in the present case. The specifications of these classes of goods are as follows:

Applicant	Opponent (proprietor)
Class 18 Leather goods; leather bags; sports bags; shopping bags and other leather goods which are not specially made for the things they contain: toilet bags, purses, keybags, containers and boxes	Class 25 (in an "Annex A" that is not attached to the decision reported at [1999] RPC 520 in Westlaw, but described in <i>Kerly's Law of Trade Marks and Trade Names (15th Ed, 2011)</i> at [9-077] and [9-081] as "clothing")
Class 25 Clothing for men and women; knitted clothing; clothing of leather and imitation leather; blouses; shirts; T-shirts; sweatshirts; jackets, pullovers, tops, bustiers, trousers, skirts, suits, coats, underwear, swimwear, headgear, scarves, headbands, jogging and fitnesswear;	

62 The Hearing Officer dealt with the goods in two categories, viz, "sports bags, shopping bags, toilet bags, keybags, boxes" (referred to as "Category A") and "leather goods, leather bags, other leather goods which are not specially made for the things they contain, containers and purses" (referred to as "Category B"). The Hearing Officer considered the goods in Category A to have "different uses" and there was "nothing about the nature of the respective goods which suggests that the users will be the same", noting that they would not be likely to be found on the same shelf or sector of a store, and that they were not in direct competition. As for the Category B goods, he decided that these could be considered to be "clothing accessories" such as "hand bags and purses". These goods would thus share the same "uses", being "correlative or complementary" to each other, have the same "users", and be found on the same shelf, although the goods were not in competition. He also noted that the position is "finely balanced" but that the Category B goods are close enough to be considered similar. (See, generally, *QS* at pp 526-7). The distinction appears to have been drawn between what was considered by the Hearing Officer to be sports-related goods and fashion-related goods. There was also evidence by way of statutory declaration by a Mr Eric Holes who stated that "many high street retailers selling clothing and footwear whether under their own trade mark or under the trade marks of others make available goods which could be called fashion accessories, such as umbrellas, purses, handbags and holdalls" and "are associated with clothing by way of styling, colour or other visually distinctive features."

63 In the present case, the registration pertains to "Bags covered in Class 18", which is rather broad. The notional or fair uses of this specification could therefore include a range of bags, whether bags for sports purposes or bags for fashion purposes. However, I also consider the need to strike a balance between allowing for this penumbra of notional and fair uses and not over extending or interpreting the concept of similarity of goods too broadly (see *Sarika (CA)* at [46]). From the cases of *Sarika (CA)*, *QS* and *Festina*, the court considers the evidence tendered to determine the possible uses, users, inherent nature of the goods and the extent to which they are competitive. In the present case, there is some evidence that the Applicants' goods are for outdoor sports activities such as camping and hiking e.g. YKC-3, p 32 of the Applicants' SD, in a newspaper article which describes the Applicants' physical store as "a chain of stores that caters to lovers of the great outdoors." Further down the article, the description of the store reads, "Lining its walls are rows of backpacks, boots, sleeping bags, travel wallets, tents, waterproof jackets and sandals." I would however not place emphasis on the manner in which the goods are marketed, such as the name of the Applicants' store "Sports Connection", since the Court of Appeal has specifically emphasized that "it will not be relevant to have regard to the particular way in which the goods or services have been affixed with the mark and are then being marketed" (*Staywell* at [84]).

64 The Applicants' goods, "Bags covered in Class 18" could conceivably include all types of bags for sports and also related sports merchandise. I would however draw the line at goods that are more fashion-related, as they would probably be sold in different stores (i.e. fashion stores and not sports stores). The uses and users of sports related goods would therefore be the same. However, the uses and users of fashion related goods would be different. Indeed, the Applicants have themselves identified some of these as fashion related goods in their submissions, categorizing them as goods that are "more commonly viewed as "fashion apparels and accessories"" (see paragraph [172] of the Applicants' Supplemental Submissions):

belts [clothing], boots, footwear, gloves [clothing], headgear for wear, hoods [clothing] jackets [clothing], jumpers [shirt fronts], motorists' clothing, outerclothing, overalls, overcoats, pants, parkas, pullovers, ready-made clothing, sandals, scarves, shoes, skirts, stocking, stuff jackets [clothing] and vests

65 I agree that these goods are likely to be in the category of "fashion apparels and accessories", although "ready-made clothing" could possibly refer to a category of sports merchandise as well. In light of *QS*, "clothing" and "ready-made clothing" could be considered to be similar to bags, if they both have the same uses and users and are therefore likely to be found within the same shelves in a department store or even the same stores. In the present case, "clothing" and "bags" could share the same uses (ie. for outdoor sports activities) and users (ie. outdoor sports enthusiasts), and such goods would be found in the same type of stores, ie. stores selling outdoor sports clothing, bags, and perhaps some related accessories, or perhaps the same shelves (eg. sports section) in large department stores.

66 I note, however, that the recent case of *Asos* appears to take a different position from *QS*. There, the General Court held that there was no goods similarity between “bumbags; sports bags; casual bags; briefcases; attaché cases; satchels; beauty cases; credit card cases and holders; wallets; purses” in Class 18 and clothing, footwear, headgear’ in Class 25, even if they shared the same distribution channels and have the same end users (see *Asos* at [51]). The General Court noted in the same paragraph that the intervener’s argument that the goods in Class 18 and Class 25 cited above shared the same manufacturer was not substantiated. The General Court also found that (1) the goods in Class 18 had an “utilitarian function” whilst the goods in Class 25 had an “aesthetic function” and (2) the purchase of the goods in Class 18 and Class 25 should be viewed independently, because the average consumer would purchase the goods in Class 18 “without worrying about the concomitant possession or purchase” of the goods in Class 25, and vice versa (see, *Asos* at [49]).

67 The reasoning in *Asos* on this issue differs from our High Court’s reasoning in *Festina*, which concluded at [72] (cited above at paragraph [57]) that it was the “complementary” nature of the goods in Class 18 and Class 25 and the fact that there were “likely to be of similar uses, targeting almost identical end users and employing similar if not identical trade channels by which the goods reach the market” contributed to the finding that there is some similarity between “necklaces, rings, bracelets, earrings, medals and brooches” (Class 18) and the goods in Class 25. Following the reasoning in *Festina*, I find that, based on the likelihood of similarity in the uses, end users and marketing channels of the Applicants’ Class 18 goods and some of the Registered Proprietors’ Class 25 goods, some of them will be regarded as similar (see paragraph [68] below).

68 After examining the various specifications in light of the considerations above, I find that the following goods in the Registered Proprietors' specification in Class 25 are similar to that of the Applicants' goods in Class 18:

Bandanas [neckerchiefs], beach clothes, beach shoes, boots, boots for sports, boots (iron fittings for-), boots (welts for-), cap peaks, caps [headwear], clothing, clothing for gymnastics, coats, cyclists' clothing, fishing vests, fittings of metal for shoes and boots, football boots, football shoes, footwear, footwear (tips for-), footwear uppers, gaiters, gloves [clothing], gymnastic shoes, hats, headbands [clothing], headgear for wear, heelpieces for boots and shoes, inner soles, jackets [clothing], jackets (stuff-) [clothing], jerseys [clothing], jumpers [shirt fronts], motorists' clothing, non-slipping devices for

boots and shoes, outerclothing, pants, ready-made clothing, sandals, shoes, shoes (iron fittings for-), shoes (non-slipping devices for-), shoes (welts for-), shoulder wraps, shower caps, ski boots, skirts, skull caps, sock suspenders, socks, soles for footwear, sports (boots for-), sports jerseys, sports shoes, stocking suspenders, stocking, stockings (sweat-absorbent-), straps (gaiter-), studs for football boots [shoes], stuff jackets [clothing], suits (bathing-), sun visors, sweat-absorbent underclothing [underwear], sweaters, swimsuits, Tee-shirts, tips for footwear, trunks (bathing-), underclothing, underclothing (anti-sweat-), vests, vests (fishing-), waterproof clothing; all included in Class 25. ("**Class 25 Similar Goods**")

69 However, I find it difficult to imagine that some of these goods, e.g. "bath sandals", "heels", "underpants" or "neckties" have both fashion and sports utility. Whilst I am open to the Applicants' suggestion that there may be a possibility of "brand licensing" or "sister branding" between fashion and sports merchandise, there is no evidence to substantiate this proposition. To call these items "sports merchandise" would, as phrased by the High Court in *Festina* at [73] (cited above at paragraph [57]), "put an unnatural strain on the average consumer's perception" of what sports merchandise are. It is quite unlikely that these goods, which can perhaps be found in purely fashion-focused stores and/or the general shoes/underwear/accessories sections in department stores, will also be found in sports stores or in the sports section of department stores. In the absence of any evidence, I am not able to find the link between sports and fashion, as suggested in a bare statement by the Applicants.

70 Therefore, I find that the following goods in the Registered Proprietors' specification in Class 25 are dissimilar to that of the Applicants' specification in Class 18:

bath sandals, bath slippers, belts [clothing], belts (money-)[clothing], braces for clothing [suspenders], clothing of imitations of leather, clothing of leather, coats (top-), esparto shoes or sandals; heelpieces for stockings, heels, hoods [clothing], knitwear [clothing], lace boots, layettes [clothing], linen (body-)[garments], mittens, money belts [clothing], neckties, overalls, overcoats, pajamas (Am.), parkas, pullovers, pyjamas, ready-made linings [parts of clothing], scarves, shirt fronts, shirts yokes, shirts, slips [undergarments], trouser straps, trousers, underpants, underwear, uniforms, visors [hatmaking], waistcoats. ("**Class 25 Dissimilar Goods**")

Likelihood of Confusion

71 The court looks at how similar the marks are and how similar the services are and, given this, how likely the relevant segment of the public will be confused: *Staywell* at [55], citing the dicta in *Hai Tong* at [85(c)]:

...Once these threshold criteria have been met, the issue of the likelihood of confusion arises and this in our view directs the court to look at (a) *how* similar the marks are (b) *how* similar the services are and (c) given this, how likely the relevant segment of the public will be confused. In *Hai Tong* we said (at [85(c)]):

Having regard to the express terms of s 27(2), there are three specific elements that plainly must be considered. These are: (i) the similarity between the registered mark and the allegedly infringing mark; (ii) the similarity or identity between the goods or

services in relation to which the marks are used; and (iii) the relevant segment of the public in relation to whom the court must consider the likelihood of confusion. ...[A]s to the relevant segment of the public, there may be characteristics that are particular to the group in question...As an illustrative proposition, the likelihood of confusion must be greater where, say, the contesting marks are similar to a high degree, the goods are identical in nature and the segment of the public in question is undistinguished in its attention than would be the case if the marks and the goods are somewhat similar but not exceedingly so, and the relevant segment of the public happens to be highly knowledgeable and very fastidious...

72 On the *effects* of the similarity of marks and the similarity of goods on the relevant segment of the public, extraneous factors may be considered, although these are subject to some important qualifications, as stated in *Staywell* at [84]:

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

73 The Court of Appeal elaborated on the types of extraneous factors allowed at [95]-[96], as follows:

95 Although the risk of origin-based confusion is the primary interest sought to be protected by trade mark law, there must be a limit to the range of external factors that may be taken into account to determine whether a sufficient likelihood of such confusion exists. **The permissible factors are those which (a) are intrinsic to the very nature of the goods and/or (b) affect the impact that the similarity of marks and goods has on the consumer.** The impermissible factors are those differences between the competing marks and goods which are created by a trader's differentiating steps. In other words, factors which are not inherent in the goods, but are susceptible to changes that can be made by a trader from time to time, should not be permissible considerations. In particular, we are satisfied that it is unnecessary, unworkable and impermissible for the court to have regard to such issues as pricing differentials, packaging and other superficial marketing choices which could possibly be made by the trader. In contrast, **extraneous factors that relate to the purchasing practices and degree of care paid by the consumer**

when acquiring goods of the sort in question, can be considered and assessed without descending into the details of particular differentiating steps which the trader might choose to take in relation to the goods and services falling within the specification.

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

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

(b) Factors relating to the impact of goods-similarity on consumer perception: it would be legitimate to take into account factors concerning the very nature of the goods without implicating any steps that are taken by the trader to differentiate the goods. **This includes the normal way in or the circumstances under which consumers would purchase goods of that type** (see [20] above, *Mystery Drinks* at [48], *Lloyd* ([23] *supra*) at 1352; and *Phillips-Van Heusen Corp v OHIM* ([20] *supra*) at [55]). This factor is not directly dependent on the marketing choices that the trader makes. As alluded to at [94] above, **it would also be relevant to have regard to whether the products are expensive or inexpensive items the nature of the goods and whether they would tend to command a greater or lesser degree of fastidiousness and attention on the part of prospective purchasers** (see generally *Hai Tong* at [85(c)(i)]), **and the likely characteristics of the relevant consumers and whether they would or would not tend to apply care or have specialist knowledge in making the purchase.** (Emphasis added)

Factors relating to the impact of marks-similarity on consumer perception

74 I have found at paragraph [45] above that the competing marks in the present case have a substantial degree of aural similarity and a moderate degree of visual and conceptual similarity. Given the high degree to which both the competing marks are similar, there is likely to be a greater likelihood of confusion. There is also undisputed evidence that there has been substantial sales of goods bearing the Applicants' Mark (see below at paragraph [90(c)]) and substantial expenditure on advertising and promotion of the Applicants' Mark (see below at paragraph [90(a)]). There is also undisputed evidence that the Applicants enjoyed some 25-30% of the market share for backpacks (see below at paragraph [90(f)]) and that they had four outlets at relatively well-known shopping locations in Singapore, namely, Queensway

Shopping Centre, Shaw Leisure Gallery, West Mall and Compass Point (see below at paragraph [90(e)]). These factors indicate that the Applicants have some degree of reputation amongst the public in Singapore, or at least amongst the general public who require sports, outdoor or camping gear.

75 As I have decided that the Class 25 Dissimilar Goods are dissimilar, it is not necessary for me to consider further whether there is a likelihood of confusion in respect of these goods.

Factors relating to the impact of goods-similarity on consumer perception

76 The consumers of the Applicants' goods would ordinarily purchase them via the Applicants' physical stores (see paragraph [90(e)]). The Applicants also submit that both their goods and the Registered Proprietors' goods would be found on shelves in a department store, or at least within the same shop or store (Applicants' Supplemental Submissions,[166]-[170]). The goods in this case may be described as affordably-priced bags, clothes, and related accessories thereto, some for sports, outdoor or camping use(see Applicants' SD at pp 90-94). This suggests that consumers would tend to spend a lesser degree of fastidiousness and attention when buying these products. They may also not have a particularly high level of care or have specialist knowledge when making their purchases. As such, it is likely that for those goods which are similar (ie. Class 18 and the Class 25 Similar Goods), there would be a likelihood of confusion, given that these goods are likely to share the same uses and users (discussed above at paragraphs [63]-[68]).

77 As for the Class 25 Dissimilar Goods, I have already discussed above (see paragraphs [63]-[68]) how they are dissimilar, given that they do not share the same uses and users, as they appear to be a range of purely fashion-related goods, as opposed to the sports-related goods. As such, it is not necessary for me to consider further the issue of likelihood of confusion.

78 As such, for the goods which are considered identical or similar, the purchasing practices and degree of care taken by consumers of these relatively inexpensive goods are likely, on a balance of probabilities, to result in a likelihood of confusion.

Conclusion on likelihood of confusion

79 Given the degree of similarity between the competing marks and the permissible extraneous factors in relation to both marks similarity and goods similarity on consumer confusion, I find that there is a likelihood of confusion between the Applicants' Mark and the Registered Mark, as regards Class 18 and the Class 25 Similar Goods. The third limb of the test under Section 8(2)(b) of the Act is satisfied to this extent.

Partial Invalidation under Section 23

80 I note that Section 23(9) of the Act provides for partial invalidation of a trade mark. The relevant provision is set out as follows:

- (9) Where the ground of invalidity exists in respect of only some of the goods or services for which the trade mark is registered, the trade mark shall be declared invalid as regards those goods or services only.

Conclusion on Section 8(2)(b) of the Act

81 In view of the foregoing, I find that there is sufficient similarity between the Applicants' Mark and the Registered Mark, in relation to the Class 18 goods and Class 25 Similar Goods (but not the Class 25 Dissimilar Goods). The ground of invalidation under Section 23(3) and Section 23(9) read with Section 8(2)(b) of the Act therefore succeeds to this extent.

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

82 Section 23(3) of the Act reads:

23.—(3) The registration of a trade mark may be declared invalid on the ground—

(b) that there is an earlier right in relation to which the condition set out in section 8(7) is satisfied,

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

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

8.— (7) A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented —

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade.

Applicants' Submissions

84 The Applicants submit that goodwill exists in relation to the Applicants' Mark, on the basis of the evidence they have tendered in the Applicants' SD. They considered the factors in *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 ("*Amanresorts*"), namely, (i) the specific sector of the public to be considered (ii) whether the Applicants' Mark has an attractive force for custom among the relevant sector of the public (iii) type of business in respect of which goodwill in the Applicants' Mark exists and (iv) conclusion on the extent of the goodwill attached to the Applicants' Mark. They concluded that "the Applicants' goodwill in the Applicants' Mark exists among distributors and retail consumers in Singapore that actually or potentially purchase the Applicants' bags" (see Applicants' written submissions, at [134]).

85 As regards misrepresentation, the Applicants submit that the Registered Proprietors' use of the Registered Mark is likely to mislead the public to believe that their goods are those of the Applicants or an extension or somehow associated with the goods of the Applicants. They do not specify precisely *how* the Registered Proprietors have used the Registered Mark or any other similar mark. The target audience of the misrepresentation would be "the distributors and retail consumers in Singapore that actually or potentially purchase the

Applicants' bags" (see Applicants' written submissions, at [139]).

86 As regards damage, the Applicants submit that there has been damage caused to them by blurring of the goodwill in the Applicants' Mark, and this has (or is likely to cause) a loss of profit to them. The Applicants submit that their goodwill in the Applicants' Mark will "spread over to the goods of the Registered Proprietors", given the similarity in the nature of the goods and the points of sale for these goods. In addition, the Applicants submit that they have suffered "significant decrease in their sales from the period of 2008 to 2011" and that it is "highly likely" that they will suffer a loss of profits due to the blurring of goodwill of the Applicants' Mark. Another type of damage that the Applicants would suffer is the damage to their ability to expand into selling bags and suitcases for digital devices (goods which the Registered Proprietors have apparently used the Registered Mark for).

Goodwill

87 The Court of Appeal in *The Singapore Professional Golfers' Association v Chen Eng Waye* [2013] SGCA 18 ("*Professional Golfers*") at [20] affirmed the three-stage test for passing off in *Reckitt & Colman Products Ltd v Borden Inc and Others* [1990] WLR 491: that the claimant must prove (1) he has goodwill attached to his product or service (2) a misrepresentation by the defendant that his goods are the claimant's goods or emanate from a source that is economically linked to the claimant and (3) damage to his goodwill as a result of this misrepresentation.

88 The Court of Appeal in *Professional Golfers* at [21] described goodwill as follows:

Goodwill has been described as "the attractive force which brings in custom": *The Commissioners of Inland Revenue v Muller & Co's Margarine, Limited* [1901] AC 217 at 224. It connotes the magnetic quality of the product and its association with the claimant such that customers return and patronise the same business, or purchase the same product or other products from the same brand: *Bently & Sherman* at p 729. The goodwill in question is the integral feature of the relationship between a trader and his customers that the tort of passing off seeks to protect. **The action for passing off is not directly concerned with the protection of a mark, logo or get-up of a business. That is more the province of the law of trade marks. Rather, passing off is concerned with protecting the goodwill between a trader and his customers:** *CDL Hotels* at [45]. (Emphasis added)

89 The relevant date to consider is the date on which the Registered Proprietors' conduct complained of started: *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 2 SLR 550 at [34]; *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2009] SGCA 53 at [63]. In the present invalidation action, the relevant date to assess goodwill would be the date on which the Registered Mark was applied for, i.e. 4 September 2008.

90 The evidence before me to establish goodwill is contained in the Applicants' SD. The evidence which is relevant ie. evidence pertaining to the Singapore market, prior to 4 September 2008, is as follows:

- (a) Annual expenditure on advertising and promotion (including advertising and promoting products applied with the Applicants' Mark) from 1992 to 2008:

Year	Amount (in SGD)
1992	19,264
1993	30,908
1994	66,727
1995	198,730
1996	266,224
1997	225,017
1998	219,295
1999	175,976
2000	26,989
2001	146,487
2002	40,352
2003	64,168
2004	47,652
2005	32,789
2006	18,145
2007	914
2008	4,378

Copy of Carrefour advertisement (1 page) showing picture of 7 products, 1 of which is described as "BODY PAC Backpack", with a picture of a blue backpack with the words "BODYPAC" (in the same font as the Applicants' Mark), and a device (which is too small to be seen), dated "20 Nov – 25 Dec 2002"

- (b) Copy of a newspaper article, titled, "*Enjoy a sporting connection with nature*", describing the Applicants' business, in particular, stating that "*[the Applicants'] in-house brand, BodyPac, is distributed to 600 other shops island-wide. BodyPac backpacks cost between \$5 for an 18-litre bag and \$97 for a 55-litre one. Mr Yee [the Applicants' chief executive officer] claims that over 10,000 BodyPacs are sold a month*", dated 29 August 1997;
- (c) Table showing annual sales figures in relation to the Applicants' Marks:

Year	Annual Sales (in SGD)
Aug 1994 to Dec 1994	97,808
1995	467,542
1996	447,975
1997	328,890
1998	198,572
1999	98,005
2000	242,434
2001	177,221
2002	148,948

2003	298,305
2004	336,310
2005	253,839
2006	726,050
2007	257,603
2008	190,649


- (d) Copies of sample extracts of delivery orders and sales invoices for "bags applied with the Applicants' Mark between 1989 to 2008", as follows:
- (i) Invoice dated 20 July 1989 showing delivery of 1,200 pieces of such bags (200 pieces "BODYPAC ZOOM" and 1,000 pieces "BODY PAC #23") totalling S\$5,666 shipped from Seoul, Korea (Dae Bang Co Ltd) to the Applicants in Singapore;
 - (ii) Invoice dated 2 November 1994 showing a total of 9,392 pieces of various bags, each described with a prefix "BP", totalling S\$33,614.48, shipped from Hong Kong to the Applicants in Singapore;
 - (iii) Invoice dated 27 May 2005 showing delivery of 8,100 pieces of "Bodypac and Overland Sleeping Bags" totalling USD\$23,490, from Shanghai, China (Shanghai Hansen Investment Developing Co., Ltd.) to the Applicants in Singapore;
 - (iv) "Trade documents" (as they were described by Applicants' counsel) dated between 28 September 2005 and 11 October 2005 showing delivery of 977 cartons of "BODYPAC" "polyester bags" being exported from Fuzhou, China (High Joint International Company) to the Applicants in Singapore;
 - (v) Invoice dated 9 August 2007 showing delivery of items without any sign that these items are "BODYPAC" items, except for a footnote that there are some "BODYPAC" items as per another invoice;
 - (vi) Invoice dated 8 August 2007 showing delivery of "Overland, Vertikal, Bodypac and Urban Equip Sleeping Bags" from Shanghai, China (Shanghai Hansen Investment Developing Co Ltd) to the Applicants in Singapore. There are a total of 8,200 pieces which amount to USD\$26,370.50;
 - (vii) Invoice dated 16 September 2007 showing delivery of various items described with the prefix "BODYPAC" (e.g. BODYPAC HAUSEY, BODYPAC ABBEY) as well as other "Overland" and "Vertikal" items from Xiamen, China (Xiamen Hailight Industry & Trade Co. Ltd.) to the Applicants in Singapore. Of these, 4,300 items are "BODYPAC" items, which are worth USD\$9,828;
 - (viii) Invoice dated 19 October 2007 showing delivery of "Overland sandals and Bodypac Nylon and/or woven polyester..." from Ho Chi Minh, Vietnam (Dong Du Co Ltd) to the Applicants in Singapore. The

invoice is divided into "Slipper & Sandals" and "Backpack" categories although it is not sorted by brand. There are about 1,500 pieces in the "Backpack" category, totalling about USD\$13,824.30;

- (ix) Various invoices showing sales from the Applicants to various parties in Singapore, between 13 October 2001 to 17 January 2008, ie. "Paris Departmental Store Pte Ltd" in Orchard Road, "Phua Kuang Meng Fashion" in Yishun Street 22, "The Mahaprajna Buddhist Society" in Geylang Lor 35, "Wei Teck Kun (Brothers) Trading P/L c/o Hua Ho Department Store" at Outram Road;
- (e) Statement in the Applicants' SD that the goods sold under the Applicants' Mark are sold at the following "Sports Connection Boutiques":
 - (i) Queensway Shopping Centre – opened since 1 August 2001
 - (ii) Shaw Leisure Gallery – opened since 1 June 2004
 - (iii) West Mall – opened since 1 September 2002; and
 - (iv) Compass Point – opened since 1 August 2002.
- (f) Statement in the Applicants' SD (at [12]) that from 1989 to 1998, Sports Connection (trading as sole proprietor) and subsequently the Applicants, was the pioneer in the trade of selling backpacks and the "BODYPAC" brand enjoyed some 25-30% of the market share for backpacks.

91 The Applicants' submission is that "goodwill exists in relation to the *Applicant's*



Mark" which is defined in their submissions as T8905544J and represented as "  " (see Applicants' written submissions at [2] and the headers before [126], [131], [134]). However, the definition of the "*Applicant's Mark*" adopted in their evidence is in relation to " 'BODYPAC' and all its variants – whether in isolation or together with an accompanying element – used in practice in relation to bags" (see Applicants' SD at [8]). In this regard, the Applicants referred to some photos showing samples of their goods and some advertisements and newspaper articles, as well as an earlier trade mark registration for the mark "



" (T9801196E) (the "**Removed Mark**") which was removed from the register on 12 February 2008. In some of the samples of the Applicants' goods shown in YKC-3 and YKC-9, for example, the goods bear resemblance to the Removed Mark and the text component of the Applicants' Mark, i.e. "BODYPAC" alone.

92 As stated in *Professional Golfers* at [21] (cited above at paragraph [88]), goodwill is concerned with protecting the relationship between a trader and his customers, not the mark, logo, or get-up of the business *per se*. I will therefore consider the evidence tendered in this case and determine the scope of goodwill that exists in the Applicants' business, as represented by the Applicants' Mark as well as in the text component "BODYPAC."

Distinctiveness of Applicants' Mark

93 I first consider whether the Applicants' Mark is a "distinctive indicia capable of being the [vessel] of goodwill" (as was considered by the Court of Appeal in *Amanresorts*, in

relation to the "Aman" names). This is important since, as a general rule, words that are descriptive of a trader's goods or services do not denote or indicate origin or the source of the goods or services supplied. Examples of "descriptive" names include: "COFFEEMIX" (referring to a mixture of coffee, sugar and non-dairy creamer) in *Super Coffeemix Manufacturing Ltd v Unico Trading Pte Ltd* [2000] 2 SLR(R) 214; "3 in 1" (a descriptor on paint which identified the inherent qualities of "Covers Crack, Washable and Waterproof") in *Nippon Paint (Singapore) Co Pte Ltd v ICI Paints (Singapore) Pte Ltd* [2000] 3 SLR(R) 465 at [25], amongst others: Susanna H S Leong, *Intellectual Property Law of Singapore* (2013), at [35.032].

94 The Applicants submitted that in relation to the Applicants' Mark, "the word "BODYPAC" clearly stands out from the background of the [Applicants'] Mark" and that "BODYPAC" is an inherently distinctive word, because it is "meaningless or has no discernible correlation to the product or service in question" and "serves no purpose other than as a mark or badge of origin or source of that product or service", citing *Professional Golfers* at [29] (see Applicants' written submissions at [42]-[43]).

95 On balance, I find that the word "BODYPAC" has sufficient inherent distinctiveness, perhaps to a medium degree. The word "BODYPAC" is not completely "meaningless or has no discernible correlation to the product or service in question", unlike the examples given in the second half of *Professional Golfers* at [29] such as "Eureka" for shirts, "June" for toiletries, and "Puffin" or "Penguin" for chocolate-coated sandwich biscuits. The word "BODYPAC" evokes the words "Body" and "Pack" and thus brings to mind a pack for the body (as was also submitted by the Applicants themselves in relation to conceptual similarity: see Applicants' written submissions at [56]). A pack for the body would have some loose correlation to some kind of bag. That said, the word "BODYPAC" and the Applicants' Mark (comprising of the word "BODYPAC" and the inverted triangle device) is also not a purely descriptive term for "bags", unlike the examples ("COFFEEMIX" and "3-n-1" given in paragraph [93] above). The words "Body" and "Pac" subverts the usual syntax for a description of a "pack" that is carried on the "body". The visual distinctiveness of the word is further enhanced by the elimination of the letter "k" from the word "pack", leaving behind the three letters "pac", which, when combined together as "BODYPAC", creates the impression of an invented word. The Applicants' Mark is further enhanced by the addition of a device that appears to be the outline of a mountain or perhaps an inverted triangle, making it even more visually distinctive. As such, both "BODYPAC" and the Applicants' Mark are capable of being "vessels of goodwill."

96 In *Amanresorts* at [44], the Court of Appeal has explained that:

In our view, goodwill is not an all-or-nothing attribute in that it is not the case that the plaintiff either has goodwill in Singapore, or otherwise, has no goodwill at all. Clearly, goodwill can be limited to sections of the public. These sections can be small so long as they are not negligible. However, if goodwill is shown to exist only among a small section of the public in Singapore, it would mean that, while goodwill exists in this country, it exists only in relation to that small group and not to the entire public here at large.

97 Based on this principle, the Court of Appeal turned to examine various aspects of goodwill such as the specific sector of the public to be considered and the type of business in respect of which the goodwill exists.

98 I now turn to the first aspect of goodwill, i.e. the specific sector of the public to be considered. The Applicants have submitted that the specific sector of the public in this case would be "the distributors as well as retail customers of the Applicants' bags in Singapore." To support their submission, the Applicants refer to a list of their 1,228 third party retailer accounts in Exhibit YKC-13 of the Applicants' SD. This list is titled "Wholesales / Customers Listing as at July 2012 (sic)."

99 Based on the evidence in the Applicants' SD, as described at paragraph [90] above, I find that there is goodwill amongst retail customers in Singapore i.e. the general public who require sports, outdoor or camping gear. This is proved by the evidence of sales from the Applicants to various retail customers such as Paris Department Store Pte Ltd, Phua Kuan Meng Fashion, The Mahaprajna Buddhist Society and Wei Teck Kun (Brothers) Trading P/L c/o Hua Ho Department Store (see details at [90(d)(ix)]). There is also a consistent trend of sales between Aug 1994 and 2008 which is supported by samples of invoices over the years (1989, 1994, 2001, 2005, 2007) showing that the Applicants have paid for deliveries of "BODYPAC" bags to Singapore and have made sales to various retail outlets in Singapore (see details at [90(c)], [90(d)(i)]-[90(d)(viii)] above). However, there is no documentary evidence of the Applicants coming into contact with distributors in Singapore for the purpose of retailing the relevant goods. The receipts tendered show that the Applicants sell the relevant goods directly to department stores or individual customers. Any contact with distributors *per se* is left to be presumed from the volume of sales and perhaps the "Wholesales/Customer Listing (sic)" dated July 2012, which is beyond the relevant date of 4 September 2008. I am therefore reluctant to find that goodwill exists in relation to the distributors of the Applicants' relevant goods in Singapore.

100 Turning back to evidence of goodwill amongst retail customers, there is also evidence of the Applicants' consistent expenditure on advertisement and promotion of their goods, for about 16 consecutive years (1992 – 2008). During some of these years, the expenditure reached more than S\$200,000 (in 1995-1998), although it was much less in some years (e.g. S\$914 in 2007, S\$4,378 in 2008). Even though the documentary proof supporting these figures is relatively thin (see paragraph [90(a)] above), it is important to remember that these facts have been deemed admitted by the Registered Proprietors. The Applicants also enjoyed some 25-30% of the market share for backpacks (see paragraph [90(f)] above) and were the subject of a local newspaper feature in 1997, which made reference to "BODYPAC" bags. This statement is not supported by any documentary proof, but has been deemed admitted by the Registered Proprietors as well.

101 The next aspect of goodwill is whether the word "BODYPAC" and the Applicants' Mark have the requisite "attractive force for bringing in custom among the relevant sector of the public." As stated in *Amanresorts* at [60]-[63], the fact that the relevant incidia are generally known does not necessarily mean that they have goodwill, since there could be instances where the well-known good is unavailable for sale (as in *Anheuser-Busch Inc v Budejovicky Budvar NP* [1984] FSR 413) or where it is priced out of reach of those who desire it (as in *Amanresorts* itself, where the Court of Appeal held that goodwill could not extend to those who are less well off and could not afford to pay to stay at the Aman resorts). Perhaps this could also be expressed as the difference between "reputation" and "goodwill": whilst reputation can exist without a supporting business relationship, goodwill cannot exist on its own but instead attaches to a business in the jurisdiction and is manifested in the custom it in fact enjoys: *Professional Golfers* at [21].

102 In the present case, the evidence shows that the Applicants and its predecessor, Sports Connection (as sole proprietor), both had their place of business in Singapore. The Applicants in particular were incorporated in Singapore (see YKC-1 and YKC-2 in the Applicants' SD). Both the Applicants and its predecessor were managed by the same Mr Yee Kok Chew (see [1] and [6] of the Applicants' SD). The newspaper article dated 29 August 1997 (see paragraph [90(b)] above) attributed the name "BODYPAC" to Mr Yee Kok Chew. The invoices relating to the delivery and sales of the relevant "BODYPAC" goods (bags) were all addressed to the Applicants or its predecessor in Singapore. The Applicants also had a business presence in Singapore by means of the four retail outlets that they operated across various locations in Singapore (see paragraph [90(e)] above). As such, I find that the word "BODYPAC" and the Applicants' Mark have the requisite "attractive force for bringing in custom among the relevant sector of the public," which is the general public who require sports, outdoor or camping gear.

103 Turning to the third aspect ie. *the type of business in respect of which goodwill exists*, the Applicants submit, in a paragraph, that their goodwill exists "in relation to the Applicants' distribution and consumer business for its bags." This submission is uncontested, unlike in the cases of *Amanresorts* and *Professional Golfers*.

104 In *Amanresorts*, the respondents claimed that they had "substantial reputation and goodwill, both in Singapore and worldwide, in the "Aman" names and "Aman"-prefixed names when those names were used in relation to hotels, resorts, and residential accommodation (*Amanresorts* at [43]). However, on appeal, they appeared to clarify that they are claiming goodwill only in respect of "the high-end hotel and resort market." The appellants argued that goodwill did not extend to residential accommodation (*Amanresorts* at [65]). The Court of Appeal, after examining the facts, accepted the appellants' argument and held that the goodwill was limited to "the high-end hotel and resort market." In *The Singapore Professional Golfers' Association v Chen Eng Waye and others* [2012] 3 SLR 699 (High Court), the plaintiff had tried to argue that its name and initials had acquired goodwill in Singapore in relation to golf-related activities generally, whilst the defendant had tried to argue that the plaintiff's goodwill only extended to *senior* professional golfers (ie. a professional golfer who has reached the age of 50) and not to professional golfers activities generally. The High Court found, on the facts, that whilst the plaintiff did not have separate membership or organize activities specifically for senior professional golfers, they did arrange for senior members to take part in senior professional golf tournaments. This part of the decision was affirmed by the Court of Appeal which held that the High Court had found that the appellants "did have a measure of goodwill in relation to professional golfing activities generally and was not limited to activities that pertained only to senior professional golfers" (*Professional Golfers* at [24]).

105 No distinction has been made within the categories of "distribution" and "consumer" businesses for bags generally, and there is no evidence as regards the bag industry to differentiate between the two types of business. On the basis of the evidence before me, the Applicants' goodwill in the word "BODYPAC" and Applicants' Mark exists generally in relation to the business of selling bags to retail consumers in Singapore. This is shown particularly through their consistent annual sales figures that are supported by invoices of sales to various retail customers between 2001 and 2008, as well as the fact that their brand enjoyed some 25-30% of the market share for backpacks (see paragraphs 90(c), (d)(ix) and (f) above). The Applicants may also have been in the distribution business then, but

unfortunately, it is not clear if the evidence of their wholesale and customer listing was in existence as at 4 September 2008. The High Court and Court of Appeal in the *Professional Golfers* case noted that there was evidence of the plaintiff's goodwill in relation to both senior professional golfers as well as professional golfers generally in deciding that their goodwill related to both categories of persons. In our present case, the evidence is uncertain and therefore, I am unable to find that there is goodwill in respect of the distributors for bags generally.

Misrepresentation

106 As stated in *Amanresorts* at [69]:

In order to establish an actionable tort of passing off, the plaintiff, apart from proving that it has goodwill in the goods, services or business in question, must also show that:

- (a) the defendant made a misrepresentation to the relevant sector of the public; and
- (b) such misrepresentation has resulted in or is likely to result in damage to the plaintiff's goodwill.

107 As to the content of the misrepresentation, the Applicants have not identified any particular instances of misrepresentation. Paragraph [136] of their written submissions reads:

"It is submitted that the Registered Proprietor[s] use of the [Registered Mark] on their goods is likely to mislead the public to believe their goods are that of the Applicant[s] or an extension or somehow associated with the goods of the Applicant[s]."

108 Adopting their earlier submissions as to Section 8(2)(b) of the Act, they further submit that the use of the Registered Mark on their goods is likely to mislead the public to believe that their goods are that of the Applicants or an extension or somehow associated with the goods of the Applicants. They further submit that the target audience of the misrepresentation would be the distributors and retail consumers in Singapore that actually or potentially purchase the Applicants' bags. They also submit that due to the high degree of similarity of the marks and the identity of the goods, there is a strong likelihood of confusion among the relevant segment of the public, in that they would believe that "BODYPAC" and "BODYPACK" bags come from the same economic undertaking, the latter being a "variation for a special product line for bags for digital devices." They also refer to instances of "actual" confusion and point towards evidence in the Applicants' SD that a retailer had recorded a purchase for a "BODYPACK" bag as a purchase for a "BODYPAC" bag instead. In addition, Google "Web" and "Image" searches for "BODYPAC bag" returned multiple results showing that the use of "BODYPACK" by the Registered Proprietors has resulted in confusion in the market.

The relevant sector of the public

109 The effect of the misrepresentation must be one that gives rise to confusion. It is the two elements of misrepresentation and confusion that together form the element of "deception", which is at the heart of the tort of passing off: *Amanresorts* at [77], cited in *Professional Golfers* at [42].

110 The Court of Appeal in *Amanresorts* considered the question of misrepresentation according to three broad headers, namely, (i) the content of the misrepresentation (ii) the target audience of the misrepresentation and (iii) whether the misrepresentation resulted in confusion (*Amanresorts* at [70]-[93]). I adopt the same framework for analysis in the present case.

The content of the misrepresentation

111 In their submissions it is not entirely clear if the Applicants are relying on the actual use of the Registered Mark by the Registered Proprietors (alluded to the instance of "actual confusion") or if they are relying on the notional fair use of the Registered Mark (since they refer generally to their submissions in Section 8(2) of the Act) (see paragraphs [107]-[108] above). I note however that the uses of the *Registered Mark* by the Registered Proprietors that are referred to by the Applicants are either undated or after the relevant date of 4 September 2008, namely, (a) the signage of a mark similar to the Registered Mark used by a store called "BONKERS", supported by evidence of an undated photograph of the store front (see Applicants' written submissions at [68]) (undated), and (b) the Google "web" and "image" searches for "BODYPAC bag" and also Exhibit YKC-26 (beyond the relevant date).

112 In the recent decision of *Jamal Abdunaser Mahmoud Al Mahamid v Global Tobacco Manufacturers (International) Sdn Bhd* [2015] SGHC 42 ("*Jamal*"), an invalidation case, the High Court noted at [59] that

I note that in *Staywell* the Court of Appeal held that a difference exists between confusion in the context of opposition proceedings under s 8(2) as compared to infringement proceedings under s 27(2) of the Act (at [56]–[61]). In the former, as monopoly rights are sought, confusion is measured against notional fair use. In contrast, as infringement proceedings are not at all concerned with the exercise of monopoly rights, but only whether the actual use of one mark has encroached on the rights conferred upon the holder of another mark. **In the present case [invalidation], where both marks have been registered, and there is no question of infringement, the issue is a tussle between competing and incompatible monopoly rights. It should follow therefore, that in these proceedings, the proper question is one of notional fair use, rather than just actual use.** (Emphasis added)

113 It may therefore be possible for the Applicants to rely on the *notional fair use* of the Registered Mark as an actionable misrepresentation instead of the *actual use* by the Registered Proprietors (which does not seem to be use of the Registered Mark). If that is the case, then we are concerned with the *possible* misrepresentation by the Registered Proprietors in using the Registered Mark in the classes they are registered for. However, this has to be properly supported by submissions and evidence.

Whether the misrepresentation caused confusion

114 It is clear from the passage above that the likelihood of confusion is an essential element of the tort of passing off. However, the fact that there is a likelihood of confusion under Section 8(2)(b) of the Act does not automatically mean that there has been an actionable misrepresentation under Section 8(7)(a) of the Act. The differences between the

tort of passing off and a claim for trade mark infringement were noted by the Court of Appeal in *Hai Tong* at [109]-[110]. In particular, it was held that "the test in the tort of passing off is probably a more demanding one than the corresponding inquiry in a trade mark infringement action" in that it is necessary to show "that the defendant's actions amount to a misrepresentation that is likely to deceive the relevant segment of the public", and this likelihood of deception is to be assessed having regard to all the circumstances.

115 I have found that there is a likelihood of confusion under Section 8(2)(b) of the Act between the Registered Mark and the Application Mark in relation to Class 18 and the Class 25 Similar Goods (see paragraphs [71]-[79] above). The other facts and circumstances of the present case are as follows:

- (a) Both the Applicants and the Registered Proprietors' goods are affordable, every day bags for outdoor use;
- (b) The Applicants' evidence shows that the Registered Proprietors have not made actual use of the Registered Mark *per se* prior to the relevant date;
- (c) However, in the Applicants' evidence, there are court documents pertaining to Suit No. 873/2005/N (the "**Suit**") where one Tay Chwee Heng states on affidavit that an entity called "PT Eigerindo MPI in Indonesia" had sold bags bearing various signs ranging from "bp" (in a lower-case, unique font), "BODYPACK" with "bp" device (in unique font), "BODYPACK streetgear", "#96", "it's all about style on the street" (used in combination, in a standard font), "BODYPACK streetgear" with "bp" device (standard font) (collectively, the "**Varied Bodypack Signs**") (see pp 220-224 of the Applicants' SD) on several types of bags for casual wear. The Varied Bodypack Signs, are essentially quite different in typeface, font, and style compared to the Registered Mark, although they share the word "BODYPACK" in common;
- (d) The Applicants claim that Tay Chwee Heng had obtained the bags from the Registered Proprietors;
- (e) The Applicants' director had met with the Registered Proprietors' representative in 1992 and given him 5-6 pieces of their "BODYPAC" bags for quotation and sample production. These samples were never returned to the Applicants;
- (f) The Registered Proprietors were given an opportunity to be heard on paragraphs (d) and (e) above, but eventually did not appear at the hearing.

116 As such, if there was notional fair use by the Registered Proprietors of the Registered Mark, prior to 4 September 2008, the factors above suggest that there would have been a likelihood of deception. This is all the more so for goods in Class 18, ie. bags. However, the same does not apply for goods in Class 25, which relate to clothing and accessories. The deceptive conduct of the Registered Proprietors pertains to the goods in Class 18, ie. bags, only. There is no evidence as to any likelihood of deception as to the goods in Class 25. Therefore, I find that there is misrepresentation by the Registered Proprietors as to the goods in Class 18, but not the goods in Class 25.

Damage

117 In relation to damage in the form of being deprived from expanding into the market for selling bags and suitcases for digital devices, the Court of Appeal in *Staywell* held at [125] that

...Where the field in which the defendant or applicant operates is in close proximity to, or is a natural extension of, the incumbent's business damage in the form of a restriction of business expansion opportunities will be more readily inferred...

118 In the present case, the Applicants and the Registered Proprietors' goods are almost identical, in that they are essentially bags for everyday use. Whilst the focus of the Applicants appears to be on bags for outdoors and sports activities, this is of sufficiently close proximity to bags for digital devices such as laptops. It may be said that these fields of business are "closely connected", just as "high end resorts" and "residential and accommodation business" were considered to be in *Staywell* at [126].

119 Given my decision as to misrepresentation at [116] above, the question of whether there is a likelihood of damage in relation to the goods in Class 25 is moot.

Conclusion on Section 8(7)(a) of the Act

120 In view of the foregoing, I find that the ground of invalidation under Section 8(7)(a) of the Act succeeds in respect of the Class 18 goods, but fails in respect of the Class 25 goods.

Ground of Invalidation under Section 8(4)

121 Section 23(3) of the Act reads:

- 23.—(3)** The registration of a trade mark may be declared invalid on the ground —
- (a) that there is an earlier trade mark in relation to which —
 - (iii) where the trade mark has been registered pursuant to an application for registration of the trade mark made on or after 1st July 2004, the conditions set out in section 8(4) apply...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

122 Section 8(4) of the Act provides that

- (4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004, if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if —
 - (a) the earlier trade mark is well known in Singapore; and
 - (b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —

- (i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; or
- (ii) if the earlier trade mark is well known to the public at large in Singapore —
 - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
 - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

123 In the present case, the Applicants seek to rely on Section 8(4)(b)(i) of the Act only. In order to succeed under this ground of opposition, the Applicants must show, under Section 8(4)(b)(i) of the Act, that:

- i) the whole or an essential part of the Registered Mark is similar to the Applicants' Mark;
- ii) the Applicants' Mark is well known in Singapore;
- iii) the use of the Registered Mark in relation to the goods claimed would indicate a connection with the Opponents;
- iv) use of the Registered Mark is likely to damage the Applicants' interests.

124 In relation to (i), I have already found at paragraphs [24]-[45] above that the Registered Mark and the Applicants' Mark are similar and the same analysis applies here.

125 In relation to (ii), I first consider who the relevant sector of the public in Singapore would be. As stated in Section 2(8) of the Act:

Where it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark shall be deemed to be well known in Singapore.

126 Section 2(7) of the Act further provides a list of non-exhaustive factors to be taken into account when determining whether a trade mark is well known to the relevant sector of the public in Singapore. Of these factors, Section 2(7)(a) of the Act is “arguably the most crucial factor when determining whether a trade mark is well known in Singapore”: *Amanresorts* at [139]. Section 2(7)(a) provides that:

Subject to [s 2(8)], in deciding, for the purposes of this Act [*ie*, the current TMA], whether a trade mark is well known in Singapore, it shall be relevant to take into account any matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:

- (a) the degree to which the trade mark is known to or recognised by any relevant sector of the public in Singapore;

127 In the present case, the Applicants submit that the relevant sector of the public are “the distributors, as well as retail customers of the Applicant’s goods in Singapore” (Applicants’ written submissions at [88]). The basis of their submission is the evidence of sales of goods to its consumers in Sports Connection outlets as well as their list of distributor partners and “business-to-business transactions dealing with bulk orders from its

distributors.” However, I have already expressed my doubts as to the relevance of this evidence at paragraphs [99], [105] above. The other exhibit that the Applicants rely on, in YKC-4, relates to invoices from the Applicants' overseas third party manufacturers, and does not assist to show that it is well known to the relevant public in Singapore.

128 That said, I have also found that there is sufficient evidence that the Applicants' goods were sold to various retail customers in Singapore during the relevant time period (see paragraph [99] above). There is also uncontested evidence that the Applicants did operate four retail outlets (paragraph [90(e)] above), a substantial amount of sales was generated (paragraph [90(c)] above), and a substantial amount was spent on promotion and advertisement (paragraph [90(a)] above), all during the relevant time period. The fact that the Applicants had some 25-30% of the market share for backpacks (paragraph [90(f)] above) is also uncontested.

129 Given the evidence above, and also bearing in mind my conclusions at paragraph [102] (in relation to goodwill in Section 8(7)(a)), I find that the Applicants' Mark is known to or recognised by the general public who require sports, outdoor or camping gear.

130 I turn now to (iii), that is, whether the use of the Registered Mark would “indicate a connection” with the Applicants' Mark. The position in relation to this limb was recently stated in the case of *Staywell* at [120]:

As for the third element, the detailed analysis in *Amanresorts* ([105] *supra*) has put it beyond doubt that the connection requirement of s 8(4)(b)(i) and s 55(3)(a) of the Act will be satisfied where there is a likelihood of confusion (see *Amanresorts* at [226] and [233]). In *Mobil* ([96] *supra*) this court elaborated that a "connection" under s 8(3) of the Act refers to a connection as to origin, a connection as to quality, and business connection. In our view, these types of connections are relevant to 8(4)(b)(i) of the Act as well. Connection as to source and quality (in so far as the public expects goods or services which it thinks emanate from the same source to be of comparable quality (see *Mobil* at [48]-[49])) imports classic origin-based confusion, while the business connection imports the misapprehension of an economic relationship between the applicant's products and the incumbent proprietor (see *Mobil* at [51]-[52]). In the present case, we have no difficulty in finding that the use of the Applicant Mark in Classes 35 and 43, would give rise to a confusing connection between Staywell's services and the Opponents'. This flows from our earlier finding that the use of the Applicant Mark is likely to give rise to *confusion* under s 8(2) of the Act, in particular, confusion that the parties' hotels are part of the same chain or are otherwise economically linked.

131 Similarly, following from my decision on confusing similarity (at paragraphs [71] to [79] above), I find that the use of the Registered Mark in Class 18 and the Class 25 Similar Goods is likely to give rise to a confusing connection between the Applicants' and the Registered Proprietors' goods. The relevant sector of the public is likely to find that the Registered Proprietors' goods are somehow economically linked in that it is a line of goods emanating from the same business source as the Applicants.

132 Lastly, I consider factor (iv), ie. whether the use of the Registered Mark is likely to damage the Applicants' interests. The Applicants submit that in the present case, there is a likelihood of damage to their interests as their ability to introduce a special line of bags or

suitcases for digital devices to their brand would be precluded. Currently, they are in the business of selling backpacks for daily practical use, and as such, it would be plausible for them to develop their business to sell bags for digital devices to keep up with today's consumers who own more digital tools and gadgets. Given the proximity of their business, there is a likelihood that the Applicants' business expansion opportunities would be severely limited (Applicants' written submissions at [104]). The Applicants also cite the case of *Staywell*, where the court accepted that there was a close proximity between the business of operating a 6-star hotel and a 4-star hotel, and Amanresorts, where the court held that the field of high end resorts and hotels were closely connected to residential accommodation business.

133 In *Staywell* at [126], the Court of Appeal held that:

only if there was no such proximity [between the present field of business and the prospective field to be expanded into] would the incumbent have to display a genuine intention to expand into the prospective market. This makes sense because of the need to prevent unwarranted extension of the incumbent's protection based on the wholly speculative possibility of its future expansion into a market unrelated to its present business.

134 In the present case, the question is whether there is sufficient proximity between the Applicants' field of business and the Registered Proprietors' field of business. From my analysis as regards the Class 18 specification that they both have registrations for, I have found that the goods are identical if not highly similar. Essentially, they are both in the field of selling bags for everyday use, whether for sports and outdoor use, or specifically for laptops and/or other digital devices. As discussed earlier in relation to goods similarity (at paragraphs [46]-[70]), the uses and users of these goods are likely to be the same, and they are sold in similar if not the same locations in Singapore. In view of the evidence, and in light of the Court of Appeal's decision in *Staywell*, I find that there is sufficient proximity between the Applicants' field of business and the Registered Proprietors' field of business in relation to bags.

135 However, no submissions are before me as to the likelihood of damage in relation to the Registered Mark under Class 25. As decided in *Staywell* at [126] (above), there would be a need to display "a genuine intention to expand into the prospective market" in order for there to be a finding of likelihood of damage if the fields of business are not related. I have found earlier that there is a possibility of the goods in Class 18 and Class 25 Similar Goods to be within the same fields of business in that these Class 25 Similar Goods are within the possible penumbra of fair uses, following the cases of *Festina* and *QS*. In view of the same, the Applicants would therefore need to demonstrate that there is evidence showing a genuine intention to expand into the purely fashion-related goods market (ie. the category of goods which the Class 25 Dissimilar Goods belongs to).

136 In *Amanresorts* (at [8]-[9]), for example, the respondent adduced evidence that they had developed and marketed long-term residential accommodation known as "Aman Villas", the first of these developments being 31 Aman Villas at Amanpuri sometime around 1990. Since then, they had also worked together with various partners, developing and marketing Aman Villas at various Aman-named resorts. There was also evidence of "branding agreements" which had been entered into with respect to various residential projects around the world (such as Turks and Caicos Islands, Arizona, New York, Mexico and Greece). In the

present case, no such evidence has been tendered before me.

Conclusion on Section 8(4)(b)(i)

137 In view of the foregoing, I find that the invalidation under the ground of Section 8(4)(b)(i) succeeds in respect of the goods in Class 18 and Class 25 Similar Goods, but not in relation to the Class 25 Dissimilar Goods.

Ground of Invalidation under Section 7(6)

138 Section 23(1) 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.

139 Section 7(6) of the Act provides that

7.—(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.

140 The law in relation to bad faith is fairly settled. A summary of the legal position may be found in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] SGCA 14 (“*Valentino*”), at [29], which refers to *Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd and another and another appeal* [2009] 2 SLR(R) 814 (“*Wing Joo Loong*”) as follows:

In *Wing Joo Loong*, this court observed at [105] that “[t]he test for determining the presence of bad faith, in the context of the English Trade Marks Act, was settled by the English Court of Appeal” [emphasis in original]. It would be useful to set out in full the observations of this court at [105]–[106] which are as follows:

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

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

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

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

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

...

41 ... [T]he upshot of the Privy [Council's] decision in [*Barlow Clowes International Ltd v Eurotrust International Ltd* [2006] 1 WLR 1476] is: (a) to confirm the House of Lords' test for dishonesty applied in *Twinsectra*, i.e. the combined test; and (b) to resolve any ambiguity in the majority of their Lordships' statement of that test by making it clear that an enquiry into a defendant's views as regards normal standards of honesty is not part of the test. The subjective element of the test means that the tribunal must ascertain what the defendant knew about the transaction or other matters in question. It must then be decided whether in the light of that knowledge, the defendant's conduct is dishonest judged by ordinary standards of honest people, the defendant's own standards of honesty being irrelevant to the objective element...

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

Evidence in the present case

141 In the present case, the only evidence before me is the Applicants' SD filed on 3 August 2012. The deponent, Mr Yee Kok Chew, is the Director of the Applicants ("**Mr Yee**"). Paragraphs [21] to [26] of the Applicants' SD pertained to the Applicants' dealings with a representative of the Registered Proprietors:

21. The Applicants' first direct encounter with the Proprietor was when I [Mr Yee] met with a representative of the Proprietor in 1992 in Singapore. I recall now that his name is "Dody". At that time Dody was promoting "EXSPORTS" bags at an Indonesian trade fair "MADE IN INDONESIA" which was held at Singapore World Trade Centre.

22. During that time I was looking for an alternative third party manufacturer to produce the Applicants' "BODYPAC" bags.

23. Sometime after our first meeting in Singapore, I went to Bandung to meet with Dody and to see the Proprietor's factory in Bandung. During that second meeting, I

also passed to Dody about 5-6 pieces of the Applicant's "BODYPAC" bags for his quotation and sample production.

24. Eventually, I did receive the replicated samples and quotation for manufacturing the bags. However, I considered that the quotations were too high and the quality of the replicated samples was not acceptable to me. Consequently, the parties' discussions for potential business collaborations ended there.

25. Both parties did not return the samples to each other as it was too troublesome and additional cost was involved for shipping. Since that time, I have not met or had any contact with the Proprietor.

26. As close to twenty (20) years have elapsed since my visit to Bandung, I am unable to locate my passport to evidence my trip to Bandung, nor any documentary evidence of the Proprietor's delivery of the bag samples and quotation to me.

142 In their submissions, the Applicants also highlighted parts of the Applicants' SD showing that "sometime around 2005 or 2006", they had commenced legal action against one Tay Chwee Heng trading as "Orizaba" ("**Orizaba**") for having sold "BODYPACK" bags in Singapore. The action was subsequently discontinued because parties entered into a settlement. The court however ordered Orizaba to deliver up its inventory of "BODYPACK" bags to the Applicants. The Applicants submitted that the Registered Proprietors were therefore "well aware" of their rights in the Applicants' Mark – firstly, they had "seen and replicated the samples provided by the Applicants" and secondly, they had been the supplier to the Singaporean distributor (Orizaba) who had been ordered to deliver up his inventory of "BODYPACK" bags to the Applicants pursuant to a court action sometime in the year 2005 or 2006.

143 The first limb of the test for bad faith is the subjective test of what the Registered Proprietor knew as at the date of application (i.e. 4 September 2008). Bad faith is determined as at the date of the application and matters which occurred after the date of application which may assist in determining the Registered Proprietors' state of mind as at the date of the application can be taken into consideration (see *Festina* at [101]).

144 Given that the Registered Proprietors are deemed to have admitted to the evidence at paragraphs [21]-[26] of the Applicants' SD, I find that it is more likely than not that the Registered Proprietors knew, through their representative, Dody, that the Applicants had goodwill in Singapore in relation to their business, through the use of the "BODYPAC" sign and the Applicants' Mark, prior to the relevant date. The Registered Proprietors, through their representative, Dody, had received samples of goods bearing the "BODYPAC" sign and the Applicants' Mark and had replicated these samples.

145 I refer to the evidence pertaining to the Applicants' legal action against one Tay Chwee Heng (trading as Orizaba), who had stated that he obtained the offending "BODYPACK" bags from the Suit. The evidence is the Affidavit of Evidence in Chief ("AEIC") of Tay Chwee Heng ("**Tay**"), which is contained in an exhibit to the Applicants' SD. Again, no objections were raised to this mode of presenting evidence, and it has been deemed admitted. The AEIC includes copies of invoices for "BODYPACK" bags that Tay claimed he had bought from "PT Eigerindo MPI in Indonesia" (pp 181-193 of the Applicants' SD), whom the Applicants say are the Registered Proprietors in this case. These invoices

show that the "buyer" of the products is "Campers' Corner", with a Singapore business address. There is other evidence in this AEIC that Tay was the Director/Secretary of Campers' Corner Outdoor Outfitters Pte Ltd (pp 227-229 of the Applicants' SD). The Registered Proprietors would at the very least be aware that they were selling goods to a third party in Singapore.

146 I turn now to the objective element of the test for bad faith, namely, the objective test of what reasonable and experienced persons in the particular commercial area would regard as acceptable commercial behaviour, given the subjective knowledge that the Registered Proprietors had at the relevant time.

147 I note that the Registered Mark is different from the sign that was at issue in the Suit (pp 216-224 of the Applicants' SD, compared with the "sample pictures of the Registered Proprietors' bags" pp 269-272 of the Applicants' SD). In the Suit, the word "BODYPACK" is used together with other elements such as "street gear", "079", "bp (stylised device)", "#96", "it's all about style on the street." In the sample pictures of the Registered Proprietors' bags in this case, the bags feature the word "BODYPACK" alone, with the use of the diamond-shaped device on separate areas of the bag. The fonts used in both instances is also different. However, both the bags at issue in the Suit and the samples of bags tendered for the purposes of these proceedings feature the sign "BODYPACK", in common.

148 Given that the Registered Proprietors are likely to have known that the Applicants had goodwill in their business through the use of the "BODYPAC" sign or the Applicants' Mark in Singapore, I find that it would not be commercially acceptable for them to export bags for sports and/or general outdoor use to Singapore bearing a mark that uses the sign "BODYPACK", which, taken on its own, has some similarity to that of the Applicants, after the Applicants had provided samples to the Registered Proprietors' representative. The Registered Proprietors went one step further by registering their Registered Mark on 4 September 2008. What is especially telling is their reluctance to even defend this case, especially when such serious allegations have been made against them in the Applicants' SD (see paragraph [141] above).

149 However, the element of bad faith has not been addressed in relation to the goods in Class 25. An allegation of bad faith is a serious claim to make and must be sufficiently supported by evidence: *Valentino* at [30]. Whilst the Applicants have, in their pleadings, made a passing reference to the Registered Proprietors' application in Class 25 (at paragraph 21 of their Statement of Grounds), they have not followed up on this point in their written submissions nor asked for leave to do the same in their supplementary written submissions.

150 The issue of bad faith may arise in proceedings for a declaration of complete or partial invalidity of a registration under Section 47(1) of the UK Trade Marks Act, which is substantially similar to our Section 23(1) of our Act: *Kerly's (15th Ed)* at 8-290, p 277. For example, in *Mickey Dees (Nightclub) Trade Mark [1998] RPC 359*, it was held that the applicant for the sign "MICKEY DEES (NIGHTCLUB)" was partially invalidated in respect of "provision of nightclub services" but not in respect of "presentation of live music performances." In Singapore, Section 23(9) of the Act (cited above at paragraph [80]) provides that where the ground of invalidity exists in respect of only some of the goods or services, the trade mark shall be declared invalid as regards those goods and services only.

151 In the present case, there are insufficient particulars, submissions and evidence to

support a declaration for invalidity as regards the Class 25 goods. As such, in view of the foregoing, I find that the ground of invalidation under Section 7(6) of the Act succeeds in respect of the Class 18 goods, but fails in respect of the Class 25 goods.

Overall Conclusion

152 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the application for a declaration of invalidity succeeds on the grounds under Section 23(3) read with Section 8(2)(b) and 8(4)(b)(i) of the Act, in respect of the goods in Class 18 and the Class 25 Similar Goods (defined at paragraph [68] above). I find that the application for a declaration of invalidity on the grounds of Section 23(3) read with Section 8(7)(a) and Section 23(1) read with Section 7(6) of the Act succeed in relation to the Class 18 goods only.

153 Therefore, the Registered Mark is declared invalid as regards the Class 18 and the Class 25 Similar Goods and consequently, is deemed to have never been made, but this shall not affect transactions past and closed. The Applicants are also entitled to costs to be taxed, if not agreed.

Dated this 4th day of March 2015.

Diyannah Binte Baharudin
Assistant Registrar of Trade Marks
Hearings and Mediation Group
Intellectual Property Office of Singapore