

# Intellectual Property Office of Singapore Case Summary: Redsun Singapore Pte. Ltd. v Tsung-Tse Hsieh [2015] SGIPOS 1

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Published: 14 January 2015

This dispute involves a local company, Redsun Singapore Pte. Ltd. ("the Applicants"), and a Taiwanese business owned by Tsung-Tse Hsieh ("the Proprietor") over trade marks that contain the common element "RED SUN". Both businesses deal in tea – the Applicants sell green tea and health supplements; the Proprietor has a chain of bubble tea shops in Taiwan and had planned to expand his business to Singapore.



The Proprietor registered **RED SUN TEA SHOP** in Singapore in Class 30 in respect of "Artificial coffee; beer vinegar; chocolate beverages; cocoa beverages; coffee beverages; tea-based beverages; binding agents for ice cream (edible ices); chicory (coffee substitute); chocolate; chocolate beverages containing milk; cocoa; cocoa beverages with milk; cocoa products; coffee; coffee beverages with milk; coffee flavorings (flavourings); vegetable based coffee substitutes; unroasted coffee; ice cream; edible ices; flavourings, other than essential oils, for beverages; frozen yoghurt (confectionery ices); ice for refreshment; ice, natural or artificial; iced tea; powder for making ice cream; puddings; sorbets (ices); tea". The Applicants sought to have the Proprietor's registration declared



invalid on various grounds, including that it was confusingly similar to the Applicants' earlier trade mark, **RED SUN**, in Class 5 in respect of "Pharmaceutical preparations being health food supplements, dietetic substances adapted for medical use, herbal preparations and substances for human use, vitamins, all included in Class 5". It was found that the parties' respective specifications of goods were not similar and the Applicants did not succeed on this ground.

However, the case is interesting as, under a separate ground of passing off, the Principal Assistant Registrar considered whether the use of the Proprietor's trade mark in Singapore was likely to lead the public to believe that the goods of the Proprietor are those of the Applicants, since the latter had already established goodwill in their business under "RED SUN" selling tea and health supplements.

The Applicants' evidence showed that bubble tea outlets also sold tea in unprepared forms on the same premises. In particular, "Each A Cup" bubble tea outlet sold tea bags of honey red oolong tea; and "a gantea" bubble tea outlet sold various premium packed tea from Taiwan. The converse was also true in that businesses selling beverages in an unprepared form also expanded into the food and beverage space through cafés and restaurants. Such businesses sell their food and drinks for immediate consumption at their premises, under the same name and trade mark. Examples cited are Old Town White Coffee, Owl, TWG, Jones the Grocer, Dean & DeLuca and The House of Robert Timms. Hence, for instance, 3-in-1 Old Town White Coffee is not only sold at supermarkets, provision stores and convenience stores, they can also be enjoyed at Old Town White Coffee café outlets in Singapore. This case also had interesting evidence that showed actual confusion by a few people who saw the Proprietor's local distributor's bubble tea shop in Toa Payoh and mistakenly thought that it was opened by the Applicants. However, this evidence was merely corroborative as the Principal Assistant Registrar was already prepared to accept that there would be misrepresentation based on the evidence of the market practice in Singapore relating to prepared and unprepared beverages. The Applicants also succeeded in proving that they were likely to suffer damage from the restriction of expansion into another field of commercial activity (the Proprietor's field) which naturally extended from the original activity. As such, the Applicants succeed under the ground of passing off.

The Applicants also argued that the Proprietor's mark was chosen in bad faith because the Applicants started their business first and the Proprietor would have ample opportunity to know of and deliberately copy their "RED SUN" name and trade mark. However, the Principal Assistant Registrar found it plausible that the Proprietor established his business independently in Taiwan without knowledge of the Applicants' business in Singapore, nor intent to ride on the Applicants' goodwill and reputation in Singapore. After all, the parties started their respective business in different countries and only four years apart. It is hardly unlikely that two independent businesses in two different countries

may adopt the same or similar name and trade mark, without any bad faith. Without further evidence of bad faith, the Applicants could not succeed on this ground.

Overall, the application for a declaration of invalidity was successful on the ground of passing off as the elements of



goodwill, misrepresentation and damage were proven. The registration of the trade mark **RED SUN TEA SHOP** was accordingly declared invalid.

*Disclaimer: The above is provided to assist in the understanding of the Registrar's grounds of decision. It is not intended to be a substitute for the reasons of the Registrar. The full grounds of decision can be found at <https://www.ipos.gov.sg/resources/hearing-mediation>.*