

Intellectual Property Office of Singapore Case Summary: Romanson Co., Ltd. v Festina Lotus, S.A. [2015] SGIPOS 3

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1. The Applicants, Romanson Co Ltd, applied to revoke the following mark registered by Festina Lotus, S.A. (the Registered Proprietors), for non-use under Section 22(1)(a) and (b) of the Trade Marks Act (the "Act"):

Singapore Trade Mark Registration No.	Mark	Class	Specification	Cert Issuance Date
T90042651		14	Watches, clocks and other chronometric instruments	29 February 1992
(the "FESTINA Mark")				

Use with "consent" under Section 22(1) of the Trade Marks Act

2. The Registered Proprietors tendered evidence of use from various third party websites. In particular, they submitted that they had evidence of "actual sales" of goods bearing the FESTINA Mark, through the sales made by a third party that operated a website at <www.brandsfever.com> ("**Brandsfever**") (see paragraphs 15, 33, 34 of the Grounds of Decision).
3. Section 22(1) of the Act provides that a trade mark may be revoked if it has not been put to genuine use in the course of trade in Singapore *by the proprietor or with his consent*. Given that the evidence of use tendered by the Registered Proprietors was not their own use, but use by an unrelated third party, further legal submissions were tendered on the meaning of "consent" and what is required to establish it. In the absence of local authorities on this issue, the Registered Proprietors sought to rely on the position in Australia, whilst the Applicants sought to rely on the position in the United Kingdom ("**UK**").
4. The Assistant Registrar ("**AR**") considered the submissions and felt it appropriate to rely on the UK position given that the legislative provisions in both countries are materially similar to each other (see paragraphs 45-46 of the Grounds of Decision). The onus is on the Registered Proprietors to prove consent to the "use" of the trade mark by a third party (who is not related to him in some way) (see paragraphs 56-66 of the Grounds of Decision). Consent can take many different forms. The Registered Proprietors only need to show that there is "implied consent" or "authorization sufficient to ensure non-infringement" by the third party, and do not need to show that they exercised "quality control" over the goods in question (paragraphs 67-70 of the Grounds of Decision). It is likely that consent can be implied in a "parallel import" situation, if there is sufficient evidence (circumstantial or otherwise) to support a finding of "implied consent" or "authorization sufficient to ensure non-infringement" by the third party. However, the concept of "deemed consent" in Section 29 of the Act does not apply to revocation proceedings (Section 22) due to clear differences in legislative wording (paragraphs 52-55, 72 of the Grounds of Decision).
5. In the present case, the Registered Proprietors had tendered evidence that all their watches are designed and manufactured in-house and that the FESTINA Mark is not licensed for use by other parties. They clarified at the oral hearing that whilst they consented to the *sale* of the goods bearing the FESTINA Mark, they did not consent to the *use* of the FESTINA Mark by third parties. Given this position, the AR found that there was no "consent" by the Registered Proprietors to the *use* of the FESTINA Mark by the third party for the purposes of Section 22(1) of the Act.
6. Even if consent was sufficiently proved, the evidence of sales in this case was insufficient to support a finding of use. To illustrate, one of the key pieces of evidence of sales was a letter from the director of *Brandsfever* and a two-page document (one of which was a copy of the other) showing a table describing the sales. No sales invoices or receipts were tendered in support of this document. This evidence was one of the exhibits within a statutory declaration of the Registered Proprietors' legal representative. Given its importance, it should have been deposited to by the director himself or some other relevant *Brandsfever* employee, especially in light of the comments of the High Court in *Nike International Ltd v Campomar SL* [2006] 1 SLR(R) 919 (see paragraphs 94-97 of the Grounds of Decision).

Whether "use" in Section 27(4) of the Act applies to Section 22(1) of the Act

7. This issue arose in the context of whether the Australian position on "use" of a trade mark (in Section 8 of the Australian Trade Marks Act) should apply in the Singapore context, where the concept of "use" of a trade mark is mentioned in several different provisions in the Act, in particular, Section 27(4), Section 22(1) and Section 29(1). Upon closer analysis of ***Bluestar Exchange (Singapore) Pte Ltd v Teoh Keng Long* [2003] 4 SLR(R) 92** and ***Nike International Ltd and another v Campomar SL* [2005] 4 SLR(R) 76**, it is doubtful that the provision for "use" in Section 27(4) of the Act (for infringement) applies directly to the context of revocation (Section 22) and appears confined to Sections 27, 28 and 29 and 31 of the Act, as expressly stated in the legislation. In the UK, there is doubt that "use" for infringement purposes counts as "use" for revocation purposes: ***Kerly's Law of Trade Marks and Trade Names (15th Edition, 2011)***, citing ***Euromarket Designs Inc v Peters and Crate & Barrel Ltd* [2000] FSR 20** (see paragraphs 42-44 of the Grounds of Decision).

Whether the Registrar has discretion under Section 22(1) of the Act

8. The AR considered this issue in light of the Registered Proprietors' submission that the Registrar should exercise discretion to allow the FESTINA Mark to remain on the Trade Marks Register even if the conditions for it to be revoked have been satisfied. The position at law is that whilst there are several High Court decisions which have decided that there is no such residual discretion (***Nation Fittings (M) Sdn Bhd v Oystertec Plc* [2006] 1 SLR(R) 712**, ***Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073** and ***Reemtsma Cigarettenfabriken GmbH v Hugo Boss AG* [2003] SLR(R) 155**), there is one High Court decision (***Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd* [2008] SGHC 51** ("**Rooster**")) which has decided otherwise. However, **Rooster** went on appeal to the Court of Appeal, which expressed the opinion that there was no such residual discretion. There is also academic opinion that the Court of Appeal decision is a "positive outcome". In any event, after reviewing the facts and circumstances of the present case, the AR's view was that, even if such discretion existed, it would not be appropriate to allow the Registered Proprietors' FESTINA Mark to remain on the Trade Marks Register (see paragraphs 118 to 129 of the Grounds of Decision).

Conclusion

9. Based on the pleadings, evidence and submissions filed in this case, the AR concluded that the conditions for revocation of registration under Section 22(1)(a) and (b) of the Act were satisfied and therefore, the FESTINA Mark was revoked with effect from 1 March 1997.

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>.