

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

Trade Mark No. T1320771A
13 May 2016

IN THE MATTER OF A TRADE MARK APPLICATION BY

QINGDAO SENTURY TIRE CO., LTD

AND

OPPOSITION THERETO BY

PT INDUSTRI KARET DELI

Hearing Officer: Ms See Tho Sok Yee
Principal Assistant Registrar of Trade Marks

Ms Denise Loh (Ella Cheong LLC) for the Opponents

Cur Adv Vult

GROUND OF DECISION

1 This is an opposition to the registration of a trade mark (“Application Mark”) as follows:

TM No.	T1320771A
Application Date	20 December 2013
Mark	DELINTE

Class	12
Goods	Automobile tires (tyres); casings for pneumatic tires (tyres); inner tubes for pneumatic tires (tyres); pneumatic tires (tyres); repair outfits for inner tubes; tires; tires for bicycles, cycles; treads for retreading tires (tyres); tyres for aircraft; vehicle wheel tires (tyres).

2 The applicants seeking to register the Application Mark are Qingdao Sentury Tire Co., Ltd. (“the Applicants”) and the opponents to the registration of the Application Mark are PT Industri Karet Deli (“the Opponents”).

3 The Application Mark was accepted and published on 30 April 2014 for opposition purposes. The Opponents opposed this application on 30 June 2014. The Applicants filed their Counter-Statement on 27 August 2014. A case management conference was convened on 24 November 2014 and only the Opponents were in attendance. The Applicants disregarded the Registrar’s notice convening the case management conference and failed to attend. What was egregious was that the Applicants and their agents, Converge Honesty Int’l Consultant Limited, had not informed the Registrar nor the Opponents that they did not intend to attend, and we waited for some time for the Applicants, not knowing their intent. The Opponents’ agents’ attempts to contact the Applicants’ agents were also in vain. Further to this case management conference, the Opponents amended their grounds of opposition on 16 January 2015.

4 The Opponents filed evidence in support of the opposition on 2 April 2015. The Applicants filed evidence in support of the application on 1 July 2015. The Opponents filed evidence in reply on 2 November 2015. The pre-hearing review on 19 November 2015 was attended only by the Opponents. Regrettably, the Applicants and their agents had not given any prior notice to the Registrar that they would not attend the pre-hearing review. The Registrar only heard about their intention not to attend from the Opponents’ agents at the pre-hearing review itself. The Applicants have also been generally unresponsive to the Registrar thereafter, and did not file any written submissions nor authorities in support of the registration of the Application Mark. The Applicants’ agents only informed the Opponents (not the Registrar) two days before the deadline for written submissions and bundles of authorities to be filed that the Applicants would not participate in the hearing. The Registrar only found out about the Applicants’ intention from the Opponents’ agents on 15 April 2016, when the parties’ written submissions and bundles of authorities were due.

Grounds of Opposition

5 The Opponents rely on Sections 8(2)(b), 8(4) and 8(7)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”) in their opposition to the registration of the Application Mark.

Opponents’ Evidence

6 The Opponents’ evidence comprises a Statutory Declaration made by Riang Matio, Export Manager of the Opponents, on 23 March 2015 in Medan, Indonesia (“the Opponents’ First SD”); as well as a Statutory Declaration in Reply made by Darviza Tjangnaka, Director of the Opponents, on 30 October 2015 in Medan, Indonesia (“the Opponents’ Second SD”).

Applicants' Evidence

7 The Applicants' evidence comprises a Statutory Declaration made by Qin Long, General Manager of the Applicants, on 26 June 2015 in Qingdao, China ("the Applicants' SD").

Applicable Law and Burden of Proof

8 As the applicable law is the Act, there is no overall onus on the Applicants either before the Registrar during examination or in opposition proceedings. The undisputed burden of proof in the present case rests on the Opponents. The fact that the Applicants did not file written submissions nor attend the hearing has no impact on the burden of proof on the Opponents.

Background

9 The Opponents claim to be one of the world's leading tyre manufacturers, manufacturing tyres and inner tubes since 1970. They are based in a county formerly known as Deli, on the outskirts of Medan City, North Sumatra, Indonesia.

10 The Opponents rely on their earlier trade marks in Singapore as follows (collectively referred to as "the Opponents' Marks"):

No.	Trade Mark	Trade Mark No.	Registration Date	Class and Specification
1		T1009217D	21 July 2010	12 Tires and tubes for bicycles, wheelchairs, mopeds, motorcycles, scooters, go-karts, industrial and agricultural implements, namely agricultural tractors, fork lift trucks, wheelbarrows, trailers, utilities and passenger cars.

(continued on next page, blank space below is intentional)

No.	Trade Mark	Trade Mark No.	Registration Date	Class and Specification
2	DELIUM	T1306071J	17 April 2013	12 Tires and tubes for vehicles, namely, bicycles, mopeds, motorcycles, scooters, four-wheeled fun karts, racing karts, golf carts, lawn mowers (vehicles), garden mowers (vehicles), all terrain vehicles (ATVs), wheelbarrows, wheelchairs, industrial and agricultural implements namely agricultural tractors, trailers, utility vehicles, passenger cars and buses; radial tires and tubes for vehicles, namely, motorcycles, agricultural tractors, all terrain vehicles (ATVs), trailers, passenger cars, motor vehicles; radial tires for commercial motor vehicles; station wagons, karts, pick-ups, vans, fork lift trucks, hand trucks, light trucks, ultra light trucks, trucks, trucks and buses.

Where the Opponents' Marks are not referred to collectively, T1009217D will be referred to as the "Deli Tire" mark and T1306071J as the "Delium" mark. The Opponents' Marks are derived from "Deli", the former name of the county in Indonesia in which the Opponents are based. There is no dispute that the Opponents' Marks are "earlier trade marks" under the definition in Section 2(1) of the Act. The Application Mark was filed on 20 December 2013; the Opponents' "Deli Tire" mark was filed on 21 July 2010 and their "Delium" mark on 17 April 2013, both of which are earlier in time than 20 December 2013.

11 The Opponents claim to have used the Opponents' Marks in Singapore since as early as 2009. Their annual sales figures in Singapore are as follows:

Year	Sales Revenue (in USD)
2009	299,078.04
2010	854,483.51
2011	795,772.83
2012	874,726.84
2013	590,415.98
2014	489,059.69

12 The Opponents claim to adopt a global approach to marketing, with the aim of creating worldwide exposure, brand awareness and commercial opportunities. A large part of their annual marketing expenditure is incurred by their participation in international exhibitions and trade shows. The Tyrexpo Asia trade show, in particular, is the longest established and most international tyre trade event in Southeast Asia. It takes place annually in Singapore and the Opponents have participated in Tyrexpo Asia as an exhibitor for more than 10 years. Their annual global marketing expenditure is as follows:

Year	Marketing Expenditure (in USD)
2009	655,031.38
2010	342,806.61
2011	343,600.80
2012	277,541.23

13 The Opponents' Marks are registered in several countries worldwide, including in Brunei, Europe, India, New Zealand, Pakistan, South Korea, Taiwan and Vietnam.

14 The Applicants are also a tyre manufacturer, based in China. They were incorporated in 2007 and have registered the trade mark **DELINTE** in China, Europe, Japan, Paraguay, Saudi Arabia and UAE. There is no information in their evidence on any sale or promotion of goods bearing the Application Mark in Singapore. However, nothing turns on this, as the Act countenances the registration of trade marks on the basis of *bona fide* intention to use, under Section 5(2)(e)(ii).

15 In their application to register the Application Mark, the Applicants have stated that "Delinte" is a coined word and does not have any meaning in the trade or industry. They have likewise declared this in their evidence in this opposition.

MAIN DECISION

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

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

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.

Decision on Section 8(2)(b)

Step-by-step Approach

17 The three-step test has been firmly entrenched in Singapore jurisprudence as the relevant test under Section 8(2)(b) of the Act. The 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*") laid down the step-by-step approach at [15] as follows:

To the extent that the Opponents' argument treated the similarity of competing marks as a threshold requirement that had to be satisfied before the confusion enquiry is undertaken, we agree. It is clear from the plain words of ss 8 as well as 27 of the Act that the only relevant type of confusion for the purpose of grounding an opposition or an infringement action, is that which is *brought about by* the similarity between the

competing marks and between the goods and services in relation to which the marks are used. Since this court's decision in *Polo (CA)*, 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 after *Sabel BV v Puma AG, Rudolf Dassler Sport* [1998] RPC 199 ("*Sabel v Puma*"). 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. Under the global appreciation approach the elements of similarity between marks and goods or services, whilst still necessary ingredients in the confusion inquiry, are elided with other factors going towards the ultimate question of whether there is a likelihood of confusion (see *Sabel v Puma* at 223–224, and *Canon Kabushiki Kaisha v Metro-Goldwyn-Mayer Inc* [1999] RPC 117 ("*Canon*") at 132). 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]).

18 Hence, to succeed under Section 8(2)(b), the Opponents have to establish three elements, namely:

- a. the Application Mark is similar to the Opponents' Marks;
- b. the Application is to be registered for goods identical with or similar to those for which the Opponents' Marks are protected; and
- c. because of both a. and b., there exists a likelihood of confusion on the part of the public.

Similarity of Marks: Principles

(i) Three aspects of similarity

19 The Court of Appeal in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") at [16] (affirmed by the Court of Appeal in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 ("*Hai Tong*") at [39]) held that:

The decided cases have established that the court will consider three aspects of similarity, *viz*, visual, aural and conceptual similarity: *Polo (CA)* at [24]; *Mobil Petroleum Co., Inc v Hyundai Mobis* [2010] 1 SLR 512 at [17]. However, it is not a pre-requisite that all three aspects of similarity must be made out before there can be a finding of similarity between the sign and the mark: *Mediacorp News Pte Ltd v Astro All Asia Networks plc* [2009] 4 SLR(R) 496 at [32] ("*Mediacorp*").

(ii) Considerations in determining similarity

20 The above approach to a determination of similarity of marks was endorsed and elaborated upon by the Court of Appeal in *Staywell* at [18], [20] and [26] as follows:

18 ... Congruously, there is no prescribed requirement that all three aspects of similarity must be made out before the marks can be found to be similar... In short, the criteria of visual, aural and conceptual similarities do not invite a formulaic consideration; rather, they are signposts towards answering the question of *whether the marks are similar*. Trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry...

20 ... the assessment of marks similarity is mark-for-mark without consideration of any external matter... This means that *at the marks similarity stage* this even extends to not considering the relative weight and importance of each aspect of similarity having regard to the goods...

26 When speaking of the assessment of a mark as a whole, it may be noted that the cases have consistently stated that the "visual, aural or conceptual similarity of the marks in question, must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components"...

21 I also have regard to the High Court decision in *Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd* [2011] SGHC 176 ("*Ferrero*"), which applied the following principles at [50]:

(a) First, the court considers the two signs/marks "as a whole" (*Polo* at [8]; *City Chain* at [47], [50]). However, the court would not take into account "any external added matter or circumstances" because the comparison is "mark for mark" (*MediaCorp* at [33], citing *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 at [55] ("*Caterpillar*").

(b) Second, the signs/marks are considered from the viewpoint of the average consumer – *not* an unthinking person in a hurry, but rather, a person who would exercise some care and good sense in making his purchases (*Polo* at [34]).

(c) Third, when comparing the two signs/marks, what is relevant is the "imperfect recollection" of the customer (*MediaCorp* at [33], citing *Nautical Concept Pte Ltd v Jeffery Mark Richard* [2007] 1 SLR(R) 1071 at [30]). The court will not compare the two marks side by side and examine them in detail, because "the person who is confused often makes comparison from memory removed in time and space from the marks" (*MediaCorp* at [33], citing *Caterpillar* at [55]).

(iii) *Distinctiveness*

22 As regards distinctiveness, the Court of Appeal in *Hai Tong* at [25] reiterated the explanation in *Sarika* at [20] that:

...the "distinctiveness" of the registered trade mark is a factor to be considered in the visual, aural and conceptual analysis to determine whether the allegedly infringing sign and the trade mark are similar. It stands to reason that the more distinctive the registered trade mark, the more it is necessary to show sufficient alterations to, or difference in, the sign in order that it may not be held to be similar to the trade mark.

The above principle similarly applies, beyond an infringement scenario, to an opposition where the similarity of the conflicting marks is in issue, such that the “distinctiveness” of the earlier trade mark relied on by an opponent is a relevant factor.

23 It was clarified in *Staywell* at [30] that:

... distinctiveness (in both its technical and non-technical senses) is a factor *integrated into* the visual, aural and conceptual analysis as to whether the competing marks are similar. It is not a separate step within the marks-similarity inquiry.

Similarity of Marks: Analysis

(i) *Distinctiveness*

24 The Opponents submit that the dominant and distinctive component of the Opponents’ Marks is “DELI”. The Opponents have incorporated the distinctive word “DELI” into their corporate name PT Industri Karet Deli. Further, they claim, “DELI” is technically distinctive. “DELI” has no meaning in relation to the Opponents’ goods of interest – tyres. It is not an association to a place *per se* as the word is no longer the name of the Indonesian county in which the Opponents are based.

25 While the Opponents would paint the Opponents’ Marks with one brush, as it were, I perceive that the distinctive features of their “Deli Tire” mark and their “Delium” mark differ. I agree that the dominant and distinctive component of the “Deli Tire” mark is “DELI”, as the second word in the mark is a direct reference to the goods of interest, tyres (also spelt as tires) and totally descriptive of such goods. The same cannot be said of the “Delium” mark. The word “Delium” is the name of an ancient seaport in Greece where the battle of Delium took place in 424 BC (see, for example, *Dictionary of Greek and Roman Geography: Abacaenum-Hytanis*, 1854, edited by Sir William Smith). There does not appear to be any dictionary meaning to this word, apart from it being an archaic reference to a geographical location. I am not persuaded that a reasonable man in the street would perceive the dominant and distinctive element of the “Delium” mark other than as “Delium” itself, and certainly not as “Deli”, which is an unnatural truncation of a word that lends itself to being perceived as a whole.

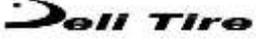
(ii) *Visual Similarity*

26 The High Court in *Ferrero* sets out the following approach to determine visual similarity between competing marks at [51]:

In the case of word marks, a determination of visual similarity typically involves looking at the (a) length of the marks; (b) structure of the marks (*i.e.*, whether there are the same number of words); and (c) whether the same letters are used in the marks (*Ozone Community* at [49], citing Bently & Sherman, *Intellectual Property Law* (Oxford University Press, 3rd Ed, 2009) at 865 (“*Bently & Sherman*”)).

27 The Opponents submit that the Application Mark is visually similar to the Opponents’ Mark because “*in addition to sharing the same first four letters “D-E-L-I”, they have on the whole a similar structure inasmuch as they almost coincide in the number of letters. The terms (sic) “DELINTE” contains 7 letters while “DELIUM” and “DELITIRE” contain 6*

letters and 8 letters respectively. Moreover, the Opponent further underlines that globally “DELINTE” has 6 out of 7 letters that are identical to those found in “DELITIRE”, and in both cases the end of the terms are characterised by the letter “T” preceding the letter “E”.

28 Applying the factors in *Ferrero* above, I observe that the length of the three marks differs. The structure of the Application Mark and the “Deli Tire” mark also differs because the former is a single-word mark while the latter comprises two words. In their submissions set out above, the Opponents referred to the “Deli Tire” mark as “DELITIRE” but we ought to guard against this creative visual apprehension with an obvious, inherent bias. The mark in question is . Apart from the difference in the length of this mark and the Application Mark and the difference in the number of words in each mark, the stylised “D” in the front of the Opponents’ “Deli Tire” mark is a significant feature that cannot be disregarded, adding to the different visual impressions of the marks.

29 Insofar as the number of words is concerned, the Application Mark and the “Delium” mark  both comprise one word. However, only 4 letters “D-E-L-I” are in common out of the 7 letters in the Application Mark and the 6 letters in the “Delium” mark. The proportion of number of letters in common with the “Deli Tire” mark is even lower, at 4 letters out of 8. This exercise is conducted at a high degree of granularity, but it must be borne in mind that the objective of comparing the marks for letters in common is to help ascertain whether these marks can be said to be visually similar *as wholes*. That there are more letters in common than not does not necessarily lead to a conclusion that the marks are therefore similar.

30 As to the Opponents’ earlier submission that the dominant and distinctive component of the Opponents’ Marks is “DELI”, my conclusions at [25] do not aid the Opponents’ cause. Whilst the dominant and distinctive component of the “Deli Tire” mark is “DELI”, that of the

Application Mark  is most certainly not “DELI” but, rather, the mark as a whole. There is no visual similarity between this pair of marks taking into account their respective dominant and distinctive components. The same can be said of the Application Mark as compared to the “Delium” mark.

31 Notwithstanding that the Opponents’ “Deli Tire” mark and “Delium” mark are relatively distinctive, even with an above average threshold of difference required of the Application Mark “*in order that it may not be held to be similar*” (*Sarika* at [20]) to the Opponents’ Marks, I am not persuaded that there is visual similarity between these marks.

(ii) *Aural Similarity*

32 A determination of aural similarity involves, as the Court of Appeal in *Sarika* opined at [28], “*a quantitative assessment of the relative number of syllables which the two marks have in common*”. At [30]-[31], the court also endorsed the consideration of “*how an average Singaporean consumer would pronounce the respective words*” and the making of “*allowances for imperfect recollection and careless pronunciation and speech*”.

33 In this regard, the Opponents argue that the first two syllables of **DELINTE**, **DELIUM** and **Dell Tire** are identical or, at the very least, highly similar. Furthermore, they highlight that the similarity lies in the first syllable, which is generally accentuated and thus more important. The Opponents additionally submit that *“the aural similarity is further heightened by the similarities in the syllabic structure of the words “DELINTE”, “DELIUM” and “DELITIRE”.*

34 Whilst the Opponents assert that the first syllables of the three marks are identical or at least highly similar, the enquiry on aural similarity considers *“how an average Singaporean consumer would pronounce the respective words”* (*Sarika* at [30]). No evidence was furnished to show how the average Singaporean consumer would pronounce the first syllable in the Application Mark and the Opponents’ Marks or the entire marks, even though the Opponents bear the burden of proof in respect of the alleged aural similarity between the Application Mark and the Opponents’ Marks. My instinctive pronunciation of the first syllable of the Application

Mark **DELINTE** is /dɪ/ as in “dermal”. As for the “Delium” mark, the first syllable is, in my opinion, naturally pronounced /dē/ as in “delete” (and rhymes with “helium”) and the first syllable in the “Deli Tire” mark lends itself to being pronounced /de/ as in “declaration”. Although the first two letters of all three marks are spelt “D-E”, their different pronunciations in the context of each mark as a whole (/dɪ/ , /dē/ and /de/) renders the degree of aural similarity low.

35 Alternatively, even if the first syllables of the three marks are similarly pronounced, the quantitative assessment considers the *“relative number of syllables which the ... marks have in common”* (*Sarika* at [28]). As between **DELINTE** and **DELIUM**, there is only one out of two syllables in common. The difference is even bigger as between **DELINTE** and **Dell Tire** because only one out of four syllables in the latter mark is in common.

36 As opined by Luxmoore LJ and cited with approval by the House of Lords in *Aristoc, Ld v Rysta, Ld* [1945] RPC 65, 72, *“the answer to the question whether the sound of one word resembles too nearly the sound of another... must nearly always depend on first impression.”* When the respective marks are pronounced (assuming the first syllables are (/dɪ/ , /dē/ and /de/), there is very low – almost no – aural similarity, especially as between **DELINTE** and **Dell Tire**. Even giving the Opponents some benefit of the doubt despite the lack of evidence on the general public’s likely pronunciation, and assuming that the first syllables are similarly pronounced, the degree of aural similarity is low. This is not a case where, contrary to the Opponents’ submission, there is likely to be slurring in the termination of the respective words. As such, the subsequent syllables of the respective marks are as dominant as their first syllable.

37 The Opponents’ argument that “DELI” is the distinctive component of the Opponents’ Marks does not help them either. The aurally distinctive component of the Application Mark **DELINTE** is not “DELI” but, “DE-LINTE” as a whole.

38 I am therefore persuaded that there is low to very low aural similarity between these marks.

(iii) *Conceptual Similarity*

39 The Opponents submit that “*Conceptually, the marks are also similar as both marks consist of the concept of an association with “DELI” and of “DELI” as their dominant and essential feature, which is the clear and indisputable thread. The other alleged distinguishing elements of the Application Mark are at most peripheral and secondary to the central concept of “DELI”.*”

40 The Opponents have submitted, earlier on, that “Deli” is the old name of the Indonesian county in which they are based. On the other hand, the Applicants’ SD explains that the

Application Mark **DELINTE** is a transliteration of the Chinese words 德林特. The Applicants declare in their statutory declaration that, separately, the word 德 means “morality”, the word 林 means “forest” and the word 特 means “specialty”. It would appear that the specific combination of these three Chinese characters do not have a particular meaning beyond what they individually mean. Paragraph 7 of the Applicants’ SD states:

“The mark **DELINTE** is a coined non-meaning (sic) word which indicates the only (sic) manufacturer and seller of the goods of tires around the world, that is QINGDAO SENTURY TIRE CO.,LTD.”

41 I have found, at [25], that the dominant and distinctive component of the “Deli Tire” mark is indeed “DELI”. However, the geographical concept of “DELI” (if any, as the old name of an Indonesian county) is not present in the Opponents’ “Delium” mark. As described at [25], “Delium” itself is the name of an ancient seaport in Greece. Both concepts of the Opponents’ “Deli Tire” mark and “Delium” mark are in turn very different from the concepts embodied in the Chinese derivation of the Application Mark, as described in the

preceding paragraph. Alternatively, apprehending the Application Mark **DELINTE** as filed (i.e. apart from its Chinese derivation), it is an invented word with no meaning and thus is not capable of conceptual comparison with the Opponents’ Marks.

42 I am therefore persuaded that there is no conceptual similarity between the Application Mark and the Opponents’ Marks.

(iv) *Conclusion on Similarity of Marks*

43 The Court of Appeal decision in *Staywell* made clear two points, among others, when concluding whether or not two marks are similar.

44 First, there is no “*particularly or notably low threshold of marks-similarity*”, *Staywell* at [16]. The Court of Appeal went to some length to clarify at [17]-[18] as follows:

... The court must ultimately conclude *whether the marks, when observed in their totality, are similar rather than dissimilar*. The three aspects of similarity are meant to guide the court's inquiry but it is not helpful to convert this into a checkbox exercise in which a tick, however faint it might be, in any one box must compel the court to find that the marks are similar when a sensible appraisal of the marks as a whole would show otherwise.

... In short, the criteria of visual, aural and conceptual similarities do not invite a formulaic consideration; rather, they are signposts towards answering the question of *whether the marks are similar*...

45 Second, "*the assessment of marks similarity is mark-for-mark without consideration of any external matter*". The Court of Appeal elaborated at [20]:

This means that *at the marks similarity stage* this even extends to not considering the relative weight and 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 types of marks, as we observed at [40(b)] of *Hai Tong*. 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].

46 I therefore consider whether the respective marks, "*when observed in their totality, are similar rather than dissimilar*", noting the Court of Appeal's rejection of the suggestion that "*any modicum of similarity would compel the court to make a finding of marks-similarity*" at [19] of *Staywell*.

47 Earlier on, I have found that the respective marks were not visually nor conceptually similar and only aurally similar to a low or very low degree. Given that "*trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry*" ([18] of *Staywell*), I find that the Application Mark and the Opponents' Marks are dissimilar rather than similar in their totality.

48 The similarity of the competing marks is a "*threshold requirement that had to be satisfied before the confusion inquiry is undertaken*": [15] of *Staywell*. Given that the threshold requirement has not been met, this is enough to dispose of the matter in favour of the Applicants.

49 Nevertheless, I will also consider the elements of goods-similarity and likelihood of confusion under Section 8(2)(b) in the event I am wrong in finding no marks-similarity.

Identity or Similarity of Goods

50 The Opponents submit that the Application Mark is sought to be registered in respect of goods in Class 12 (set out at [1] above) that are identical or highly similar to the goods for which the Opponents' Marks are registered in the same class (set out at [10] above).

51 The Applicants did not deny that the respective goods were identical or at least similar, not in their counter-statement, neither in their evidence.

52 I am readily persuaded that the respective goods claimed by the marks – essentially tyres – are similar.

53 Accordingly, I am satisfied that the second element of identity or similarity of goods under Section 8(2)(b) is made out.

Likelihood of Confusion: Principles

54 As indicated above, I have not found marks-similarity at the first stage of the 3-step enquiry under Section 8(2)(b) of the Act. The enquiry effectively ended then. However, in the event I am wrong on the lack of marks-similarity, I continue with a consideration of the likelihood of confusion at the third stage of the enquiry following an analysis of goods-similarity at the second stage. The following assessment is based on the premise that the Application Mark is *marginally* more similar to the Opponents' Marks than not.

55 The decision in *Staywell* is seminal for its clarification on major points in trade marks law. At [55] of *Staywell*, the Court of Appeal restated as follows:

... 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. Each of these elements can vary. The marks may be identical or similar, and if the latter, they can vary in their degree of similarity. In the same way, the goods or services in relation to which the marks are used may be identical or similar, and again, if the latter, they may vary in the degree or extent to which they are similar. ... And as to the relevant segment of the public, there may be characteristics that are particular to the group in question. Each of these factors will have a bearing on the likelihood of confusion. 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. ...

(i) *Notional Fair Use*

56 The Court of Appeal in *Staywell* clarified the approach to determining likelihood of confusion at [60] and [62]:

60 Accordingly in opposition proceedings the inquiry must take into account the full range of the competing monopoly rights that are already enjoyed on the one hand, namely the actual and notional fair uses to which the incumbent proprietor has or might fairly put his registered trade mark, and compare this against the full range of such rights sought by the applicant by reference to any actual use by the applicant (assuming there has been prior use) as well as notional fair uses to which the applicant may put his mark should registration be granted. This is the setting in which the question of whether there is a likelihood of confusion is assessed...

62 ... It would still be necessary to consider the wider question of whether the notional fair uses that the applicant might put the mark to could conflict with the notional fair uses to which the proprietor of the registered mark could put his mark to. As we have noted, this latter inquiry sets a higher threshold for the applicant than an inquiry that focuses only on whether the actual use is infringing, and it follows that as a practical matter, in opposition proceedings, the applicant will have to meet that higher threshold regardless of whether there has already been actual use. In essence, in such proceedings, he will be required to establish that the notional fair use of his mark would not infringe the notional fair use rights of the registered proprietor; whereas in infringement proceedings the only question is whether the actual use by the alleged infringer infringes the notional fair use rights of the registered proprietor of the mark...

(ii) *Extraneous Factors*

57 In *Staywell*, the Court of Appeal also affirmed the relevance of extraneous factors "*to the extent they inform the court as to how the similarity of marks and goods will likely affect the consumer's perception as to the source of the goods*", at [83].

58 On the specific types of extraneous factors that are permissible, we have guidance in the conclusion at [95]-[96] of *Staywell*:

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. We refer here to *In the matter of an Application by the Pianotist Company Limited for the Registration of a Trade Mark* (1906) 23 RPC 774 where it was observed that, having regard to the nature of the article in question (musical instruments), the (high) price at which it was likely to be sold, and the nature of the consumers who are likely to purchase such products ("generally persons of some education"), a man of ordinary intelligence was unlikely to be confused (at 778). The price of the type of product being sold is distinct from the issue of price disparity between the parties' products. The former consideration directly impinges on the degree of care the consumer is likely to pay to his purchase and therefore his ability to detect subtle differences. As observed in *Reed Executive plc v Reed Business Information Ltd* [2003] RPC 12 at [103], "a 50 pence purchase in the station kiosk will involve different considerations from a once-in-a-lifetime expenditure of 50,000 pounds". On the other hand, superficial price disparity between the competing goods, which speak more about the trader's marketing choices rather than differences in the nature of the goods themselves, is not a factor we find relevant to the inquiry.

Likelihood of Confusion: Analysis

(i) Factors Relating to the Impact of Marks-Similarity on Consumer Perception

59 Having regard to the degree of similarity of the marks themselves, I have held that the marks are not similar on the whole. However, if I were wrong on this and were to accept that there is marks-similarity, I would be inclined to say that the Application Mark is only

marginally more similar to the Opponents' Marks than not. Hence, this factor in the consideration of likelihood of confusion lies in the Applicants' favour – "*Clearly, the greater the similarity between the marks, the greater the likelihood of confusion*" ([96] of *Staywell*) and conversely, the lesser the similarity between the marks, the lower the likelihood of confusion.

60 As to the reputation of the earlier marks, the Court of Appeal in *Staywell* cited with approval (at [96]) *Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 at [74], where it was made 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 (at [64]). In the present case, the Opponents have given some evidence in support of their claim to goodwill (which will be dealt with under the ground of opposition under Section 8(7)(a) below), suffice for present purposes to say that the Opponents appear to have participated actively in the Tyrexpo Asia tradeshow, the oldest and most international tyre trade show in Southeast Asia, in Singapore for over 10 years as an exhibitor. It is plausible that the Opponents enjoy some reputation in Singapore in the Opponents' Marks. However, it is not clear that this factor helps the Opponents' significantly in the overall analysis.

61 The impression given by the respective marks also differs, even given that recollection of the Application Mark and the Opponents' Marks could be imperfect. This factor is in the Applicants' favour.

(ii) *Factors Relating to the Impact of Goods-Similarity on Consumer Perception*

62 The relevant goods under consideration here are those as claimed in the specifications of the Application Mark and the Opponents' Marks respectively set out at [1] and [10] above. The identical or highly similar goods are essentially different kinds of tyres in Class 12.

63 The Opponents submit that because of the similarity of goods, the customers and trade channels would be the same. They elaborate that "*the nature of the Applicant's business makes the Applicant a direct competitor of the Opponent.*" The Opponents would have me believe that the "*the relevant consumers, being members of the public at large, are unlikely to apply specialist knowledge in making their purchase, which further heightens the possibility of confusion.*"

64 At the hearing, I expressed scepticism that the average consumers were "*members of the public at large*" and asked the Opponents' counsel to make submissions on the relevant customers and trade channels. In response, the Opponents' counsel agreed that relevant consumers included members of the trade such as wholesalers and distributors as well. She submitted that the Opponents were looking at the entire potential customer base. She also took the opportunity to highlight, again, that there was a real possibility that the end consumer would not have specialist knowledge when making the tyre purchase.

65 When questioned further, the Opponents' counsel identified the relevant trade channels in Singapore as follows:

- a. Through a distribution network. Paragraph 14 of the Opponents' First SD states:

“In Singapore specifically, goods bearing the Opponents’ Marks have been marketed through an established distributorship network, including but not limited to JT Global Pte Ltd of 23 Defu Lane, 12 Defu Industrial Park E, Singapore 539130.”

The Opponents’ counsel elaborated at the hearing that the Opponents’ distributor would sell tyres further down the chain to car repair shops that stock tyres.

b. Through trade shows. Paragraph 15 of the Opponents’ First SD states:

“Further, the Opponent has also extensively promoted and publicised the Opponents’ Marks as well as the products sold under the Opponents’ Marks through its active participation in international exhibitions and tradeshows, such as Tyrexpo Asia, Tyrexpo Africa and Taipei International Cycle Show, which are attended by company representatives and individuals from around the world, including Singapore.”

Paragraph 13 of the Opponents’ Second SD supplements as follows:

“The Tyrexpo Asia tradeshow, in particular, is the longest established and most international tyre trade event in South East Asia. It takes place almost annually in Singapore and the Opponent has been participating in Tyrexpo Asia tradeshows for over 10 years as an exhibitor. Through the Opponent’s’ active participation in such large-scale events which are attended by company representatives and individuals from around the world, including Singapore, the Opponents’ Marks and products have gained widespread exposure and commercial recognition.”

The Opponents’ counsel conceded that the evidence disclosed the exhibitor list, but not the attendance list, at Tyrexpo Asia. However, I am prepared to accept that being a trade show, the attendees would generally be members of the trade such as agents, wholesalers, distributors, and perhaps the larger tyre retail businesses, looking to seal deals.

66 Having regard to the specialist nature of the goods – tyres – and the Opponents’ own evidence that most of their marketing and promotion takes place at international industry trade shows, I am inclined to believe that the relevant segment of the public is more heavily weighted towards members of the tyre trade such as wholesalers, distributors and perhaps large tyre retailers. Such purchasers and business entities who trade in tyres are reasonably expected to have the trade knowledge and exposure to know the tyre manufacturers and their product lines. I do not dispel the fact that the Opponents’ end consumers also comprise members of the public at large who need to get their tyres replaced. However, the circumstances of getting one’s set of wheels replaced are such that the service provider (such as a car repair shop or petrol station) would have some specialist knowledge to recommend and fit new tyres that are suitable for the particular vehicle. In other words, tyres generally require an intermediary familiar with tyres to assist in the selection and installation. This factor is in the Applicants’ favour, in that the more specialist knowledge is entailed in the circumstances of trade of the goods in question, the lower the likelihood of confusion.

67 The Opponents also submit that tyres are more likely to be purchased over the counter on a verbal request, rather than selected by a potential customer from a rack in a shop after careful inspection and comparison with similar articles. Hence, for the goods in question, the Opponents submit that the aural impact of the marks may be more important than any visual similarity. It is also submitted that the brands of tyres are generally not displayed prominently on the tires, in terms of size and colour differentiation, and the brands typically blend into the tyre sidewall. Quite apart from the lack of evidence that tyres are likely to be purchased over the counter on a verbal request, in light of my persuasion that the main channels of sale are trade channels, I am inclined to believe that any risk of aural confusion is reasonably mitigated by the specialist knowledge of traders in the market.

68 I also have regard to whether tyres are expensive or inexpensive items. A brief perusal of Exhibit 6 of the Opponents' First SD, which exhibits copies of the Opponents' invoices of their tyre sales to JT Global Pte Ltd in Singapore, discloses that the price of tyres under their "Delium" brand fall within a range of USD26 to 78, depending on specification. There are certainly much more expensive tyres in the market, so I would take the price range of USD26 to 78 as suggestive and not exhaustive. I am also mindful that these prices are as between manufacturer and distributor. There would be a mark-up in price when the tyres are further sold to car repair shops and other points of sale. By the time these tyres are sold to the end consumer, they would have undergone yet another mark-up. The point to note is that tyres are not low-cost goods and more than a modicum of attention would be paid in their selection and purchase at every stage of the chain of sale. This factor is also in the Applicants' favour.

69 Overall, the factors relating to goods-similarity are in the Applicants' favour.

(iii) Conclusion on Likelihood of Confusion

70 The Opponents expressed a concern that the public would be confused that the Application Mark was a new product emanating from the Opponents. However, taking into account the above permissible extraneous factors, I do not find a reasonable likelihood of confusion in Singapore that tyres bearing the Application Mark and the Opponents' Marks emanate from the same or economically linked undertakings.

Conclusion on Section 8(2)(b)

71 The ground of opposition under Section 8(2)(b) therefore fails.

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

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

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

Decision on Section 8(7)(a)

73 The Court of Appeal in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] SGCA 33 (“*Singsung*”) set out the legal framework for the tort of passing off at [26]-[28] as follows:

26 The basic principle undergirding the law of passing off is that a trader should not sell his or her goods on the pretext that they are the goods of another trader. There are two oft-quoted formulations of the tort of passing off. The first is found in Lord Diplock’s speech in *Erven Warnink Besloten Vennootschap and another v J Townend & Sons (Hull) Ltd and another* [1979] 1 AC 731 (“*Advocaat*”) at 742 where Lord Diplock stated five characteristics of a cause of action in passing off, namely:

(1) a misrepresentation (2) made by a trader in the course of trade, (3) to prospective customers of his or ultimate consumers of goods or services supplied by him, (4) which is calculated to injure the business or goodwill of another trader (in the sense that this is a reasonably foreseeable consequence) and (5) which causes actual damage to a business or goodwill of the trader by whom the action is brought or (in a quia timet action) will probably do so.

27 The second formulation is the “classical trinity” stated by Lord Oliver of Aylmerton in *Reckitt & Colman Products Ltd v Borden Inc and others* [1990] WLR 491 (“*JIF Lemon*”) at 499:

... The law of passing off can be summarised in one short general proposition – no man may pass off his goods as those of another. More specifically, it may be expressed in terms of the elements which the plaintiff in such an action has to prove in order to succeed. These are three in number. First, he must establish a goodwill or reputation attached to the goods or services which he supplies in the mind of the purchasing public by association with the identifying “get-up” (whether this consists simply of a brand name or a trade description, or the individual features of labelling or packaging) under which his particular goods or services are offered to the public, such that the get-up is recognised by the public as distinctive specifically of the plaintiff’s goods or services. Secondly, he must demonstrate a misrepresentation by the defendant to the public (whether or not intentional) leading or likely to lead the public to believe that goods or services offered by him are the goods or services of the plaintiff. Whether the public is aware of the plaintiff’s identity as the manufacturer or supplier of the goods or services is immaterial, as long as they are identified with a particular source which is in fact the plaintiff. ... Thirdly, he must demonstrate that he suffers or, in a quia timet action, that he is likely to suffer damage by reason of the erroneous belief engendered by the defendant’s misrepresentation that the source of the defendant’s goods or services is the same as the source of those offered by the plaintiff.

28 Both Lord Diplock’s five characteristics in *Advocaat* and Lord Oliver’s reformulation in *JIF Lemon* have found expression in the judgments of our courts (see, for example, *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 (“*Novelty*”) at [36]). It has been suggested in a number of cases that there is no difference between these formulations, and that the main elements of the tort of passing off are encapsulated in the classical trinity of goodwill, misrepresentation and

damage (see for example, *Novelty* at [37] and *Nation Fittings (M) Sdn Bhd v Oystertec plc and another suit* [2006] 1 SLR(R) 712 (“*Nation Fittings*”) at [148]). We accept this, by and large, as the correct position. However, we also agree with Prof Wadlow’s view that Lord Diplock’s five characteristics, focussing as they do on the issue of misrepresentation and damage, “probes more deeply into the inwardness of the tort” (Christopher Wadlow, *The Law of Passing-Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 4th Ed, 2011) (“*Wadlow on Passing Off*”) at para 1–027). The essence of passing off – that no person is permitted to steal another’s trade *by deceit* – must not be forgotten. What the tort seeks to protect is not the plaintiff’s use of a mark, name or get-up *per se*; rather, the tort seeks to prevent the defendant from causing damage to the plaintiff by committing an actionable misrepresentation.

74 With the above in mind, I examine the elements of passing off in turn.

Goodwill

75 The High Court in *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618 observed at [171]:

Both *Staywell* ([22] *supra*) at [131] and *Amanresorts* ([134] *supra*) at [39] cite the definition of goodwill in *The CIR v Muller & Co’s Margarine Ltd* [1901] AC 217 at 223–224 as an authoritative statement of the meaning of goodwill. There, the House of Lords defined goodwill as “the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom ...”. Following the House of Lords, the court in *Amanresorts* at [39], identified two essential features of goodwill:

First, it is the association of a good, service or business on which the plaintiff’s mark, name, labelling, *etc* (referred to generally as the plaintiff’s ‘get-up’) has been applied with a particular source. Second, this association is ‘an attractive force which brings in custom’.

76 Even more recently, the Court of Appeal in *Singsung* clarified the nature of goodwill at [33]-[34] as follows:

33 The goodwill relevant to a passing off action is not goodwill in the mark, logo or get-up (*CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 (“*CDL Hotels*”) at [45]). Instead, the tort of passing off protects a trader’s *relationship* with his customers. As was stated by Lord Parker of Waddington in *AG Spalding & Bros v A W Gamage Ld* (1915) 32 RPC 273 at 284:

There appears to be considerable diversity of opinion as to the nature of the right, the invasion of which is the subject of what are known as passing off actions. The more general opinion appears to be that the right is a right of property. This view naturally demands an answer to the question – property in what? Some authorities say property in the mark, name, or get-up improperly used by the defendant. Others say, property in the business or goodwill likely to be injured by the misrepresentation. Lord Herschell in *Reddaway v Banham* (LR (1906) AC 139) expressly dissents from the former view; and if the right

invaded is a right of property at all, there are, I think strong reasons for preferring the latter view. ...

34 In our judgment, goodwill, in the context of passing off, is concerned with goodwill in the business *as a whole*, and not specifically in its constituent elements, such as the mark, logo or get-up that it uses (see *Lifestyle 1.99 Pte Ltd v S\$1.99 Pte Ltd (trading as ONE.99 SHOP)* [2000] 1 SLR(R) 687 (“*Lifestyle 1.99*”) at [20]–[24]; *Wallow on Passing Off* at paras 3–003 and 3–004; James Mellor QC *et al*, *Kerly’s Law of Trade Marks and Trade Names* (Sweet & Maxwell, 15th Ed, 2011) (“*Kerly’s Law of Trade Marks and Trade Names*”) at para 18–100). Goodwill does not exist on its own, but attaches to a business in the jurisdiction and is manifested in the custom that the business enjoys: *CDL Hotels* at [46]. Goodwill may be proved by evidence of sales or of expenses incurred in promoting the goods and services in association with the mark, brand or get-up which they bear (see *SPGA* at [22]).

77 The High Court in *Allergan, Inc and another v Ferlandz Nutra Pte Ltd* [2016] SGHC 131 (“*Allergan*”), referring to *Singsung*, summarized as follows:

170 Goodwill is the legal property protected by the law of passing off. Goodwill in the context of passing off is not goodwill in the mark, logo or get-up as such. Instead, goodwill is the trading relationship with his customers. Viewed from this perspective, passing off is concerned with goodwill in the business as a whole and not its constituent elements such as the mark, logo or get-up that it uses.

78 The Opponents’ use and promotion of the Opponents’ Marks in Singapore have been described at [11], [12] and [65] above. Such evidence is a reasonable proxy of the Opponents’ “*business as a whole*” in relation to Singapore.

79 Some of the Opponents’ other evidence on this issue does not evince a Singapore context. For example, Exhibit 3 of the Opponent’s First SD contains marketing material which appear to be extracted from Philippine magazines. Exhibit 8 of the Opponent’s First SD contains screenshots of the Opponent’s Facebook page which appear to target Indonesian consumers only, given that the posts are written in Bahasa Indonesia (except for one, dealt with at [96] below), and prices reflected are all in Indonesian Rupiah.

80 Nevertheless, from the relevant evidence available, having regard to the sales revenue in Singapore from 2009 to 2013, the Opponents’ participation in the high profile trade show Tyrexpo in Singapore and their distribution network in Singapore through JT Global Pte Ltd, I am satisfied that the Opponents enjoy goodwill in Singapore as on the application date of the Application Mark on 20 December 2013.

Misrepresentation

81 With regard to this stage of the inquiry into passing off, the Court of Appeal in *Singsung* elucidated the principles as follows:

38 In our judgment, the issue of distinctiveness is best understood as a threshold inquiry in the context of determining whether the defendant has committed an actionable misrepresentation. Simply put, if a mark or get-up is not distinctive of the plaintiff’s products or services, the mere fact that the defendant has used something

similar or even identical in marketing and selling its products or services would not amount to a misrepresentation that the defendant's products or services are the plaintiff's or are economically linked to the plaintiff. Indeed, it has been said (in the context of an alleged representation consisting of the use of a name in connection with goods) that proof that the name has become distinctive of the plaintiff's goods is a "condition precedent" to the success of a passing off action: per Viscount Simmonds in *T Oertli AG v E J Bowman (London) Ltd* (1959) RPC 1 at 4. Similarly, where the alleged representation consists of the use of the get-up, the plaintiff is required to prove that the get-up in question has become distinctive in the sense that the relevant segment of the public recognises goods with that get-up as originating from the plaintiff. If it is found that the mark or get-up *is* distinctive of the plaintiff, then the next question is whether the use of similar indicia by the defendant amounts to a misrepresentation.

39 The foregoing analysis is also consistent with our remarks in other cases (see, most recently, *The Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2016] SGCA 25 ("AMC") at [82] as well as *SPGA* at [20] and *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 ("*Hai Tong*") at [115]) where we analysed the issue of distinctiveness in the context of the inquiry into misrepresentation. In this connection, the steps to be taken in the inquiry as to misrepresentation were summarised in *SPGA* (at [20]) as follows:

... [The second inquiry (*ie*, of misrepresentation)] typically begins with a consideration of how the defendant is said to be doing this. In general, it will entail the use of some element that serves as a badge or identifier marking the goods or services in question as emanating from the claimant ... *It will be necessary here to consider whether that element does serve as a badge or identifier, or, in the parlance of the action, whether it is "distinctive" of the claimant's goods and services, and whether the claimant's goodwill (established under the first stage of the inquiry) is in fact associated with that element.* It will then be necessary to consider, amongst other factors, whether there is such a similarity between the corresponding element that is being used by the defendant on the one hand and by the claimant on the other such that in all the circumstances, it is sufficiently likely to result in the relevant segment of the public being deceived or confused into thinking that the defendant's goods or services are, or emanate from a source that is linked to, the claimant's. ...

[emphasis added in italics and bold italics]

40 Whether misrepresentation has occurred is a question to be determined by the court in the light of the surrounding circumstances. The misrepresentation in question must give rise to confusion (or the likelihood thereof) in order to be actionable under the law of passing off. This is ultimately a matter for the court's judgment and it is not to be determined on a visual side-by-side comparison. Rather it is to be assessed from the vantage point of a notional customer with imperfect recollection...

82 In the present case, the issue of the distinctiveness of the Opponents' Marks is not in dispute. The evidence also bears this up fairly well. Thus, the Opponents have crossed the "threshold inquiry".

83 Turning to the crux of the second element, namely whether the alleged misrepresentation creates a likelihood of confusion, it is noted that the Opponents have earlier failed to establish a reasonable likelihood of confusion between the Application Mark and the Opponents' Marks ([70] above) under Section 8(2)(b) of the Act. Likewise, the Opponents have not established any actionable misrepresentation under Section 8(7)(a). This is notwithstanding that, as Wei J recognised in *Allergan* at [184], “a confusion inquiry for passing off, considers a broader view of the context than in the confusion inquiry for trade mark infringement”.

Damage

84 Since there is no actionable misrepresentation, there cannot be any damage arising from the misrepresentation. As such, the element of damage in relation to the Applicants' claim for passing off is not made out.

Conclusion on Section 8(7)(a)

85 The ground of opposition under Section 8(7)(a) therefore fails.

Ground of Opposition under Section 8(4)(b)(i)

86 Section 8(4)(b)(i) of the Act reads:

(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 —

... (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.

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

87 Under Section 8(4)(b)(i), the Opponents have the burden of establishing the following:

- a. The whole or essential part of the Application Mark is identical with or similar to the Opponents' Marks
- b. The Opponents' Marks are well known in Singapore
- c. Use of the Application Mark in relation to the goods claimed would indicate a connection with the Opponents
- d. Use of the Application Mark is likely to damage the Opponents' interests

Similarity of Marks

88 At [47], I have found that the Application Mark and the Opponents' Marks are dissimilar rather than similar in their totality. Even considering that, under Section 8(4)(b)(i),

it is sufficient for an “*essential part*” of the Application Mark to be similar to the Opponents' Marks, I nevertheless cannot conclude that such similarity exists. The inquiry effectively ends here, but in case I am wrong on the lack of marks-similarity, the analysis under this ground of opposition continues below.

Well Known in Singapore: Principles

89 In assessing whether a trade mark is well known in Singapore, the Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd and Another* [2009] 3 SLR(R) 216 (“*Amanusa*”) held that regard must be had to Section 2(7) of the Act which states:

Subject to subsection (8), in deciding, for the purposes of this Act, 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;
- (b) the duration, extent and geographical area of –
 - (i) any use of the trade mark; or
 - (ii) any promotion of the trade mark, including any advertising of, any publicity given to, or any presentation at any fair or exhibition of, the goods or services to which the trade mark is applied;
- (c) any registration or application for the registration of the trade mark in any country or territory in which the trade mark is used or recognised, and the duration of such registration or application;
- (d) any successful enforcement of any right in the trade mark in any country or territory, and the extent to which the trade mark was recognised as well known by the competent authorities of that country or territory;
- (e) any value associated with the trade mark.

90 In interpreting how these factors should assist the court, the Court of Appeal in *Amanusa* held at [137] that “*it appears that the court is ordinarily free to disregard any or all of the factors listed in Section 2(7) as the case requires (subject to [Section 2(7)(a) of the Act]), and to take additional factors into consideration.*”

91 Section 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore due to Section 2(8) of the Act which states that “[w]here 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”, see [139] of *Amanusa*.

92 Consequently, the Opponents’ Marks need only be well known to any relevant sector of the public in Singapore for them to be deemed to be well known in Singapore.

Relevant Sector of the Public

93 Section 2(9) defines the “relevant sector of the public in Singapore” in Section 2(7) and 2(8) as including any of the following:

- (a) all actual consumers and potential consumers in Singapore of the goods to which the trade mark is applied;
- (b) all persons in Singapore involved in the distribution of the goods to which the trade mark is applied;
- (c) all businesses and companies in Singapore dealing in the goods to which the trade mark is applied.

94 The court in *Amanusa* discussed the ambit of the phrase "*all actual consumers and potential consumers in Singapore of the goods*" at [152] and concluded that "*the inquiry is much more focused and manageable if one looks only at the specific goods or services to which the [Opponents'] trade mark has been applied (i.e., if one considers only the [Opponents'] goods or services).*"

Well Known in Singapore: Analysis

95 The evidence before me includes, in the main, the evidence set out at [11]-[13] and [65], most of which was considered in respect of the element of "goodwill" ([75]-[80]) under Section 8(7)(a) above.

96 The relevant sector of the public would be weighted heavily towards members of the tyre trade such as agents, distributors and businesses in Singapore dealing with tyres bearing the Opponents' Marks (see [66] above). Earlier comments that not all the evidence adduced relate to Singapore apply here as well. For example, it is a pity that the annual marketing expenditure at [12] is a global figure and there is no indication how much of such marketing efforts reached the relevant sector of the Singapore public. It is also a pity that, as observed at [65], the evidence disclosed the exhibitor list, but not the attendance list, at Tyrexpo Asia. Attendance details on the nationality and number of attendees would have been relevant information. The exhibits in the Opponents' First SD disclose extracts from publications in the Philippines whilst the Opponents' Facebook page appears to target Indonesia customers with an overwhelming majority of posts in Bahasa Indonesia. The sole Facebook post in English invited prospective customers to visit the Opponents' booth at a trade fair in Milan, Italy. Accordingly, its bearing on whether the Opponents' Marks are well known in Singapore is suspect.

97 I am mindful of the High Court decision in *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 where Wei J opined at [159] as follows:

The rights of proprietors of well-known marks are given greater protection. It is for this reason that well-known marks are particularly valuable. Therefore, one must take care not to elide the distinction between well-known marks and what may be loosely termed "ordinary" marks. Whilst the Court of Appeal has commented that it is "not too difficult" for a trade mark to be considered well known in Singapore (*Amanresorts* ([112] *supra*) at [229]), this should not be taken to mean that the hurdle that trade mark owners have to cross is minimal.

98 Therefore, in the absence of more particularised and better evidence from the Opponents, I am not able to conclude that the Opponents' Marks are well known to the public in Singapore.

Confusing Connection

99 It has been settled by the Court of Appeal that when determining whether use of the Application Mark indicates a connection with the Opponents, a likelihood of confusion must be shown: *Sarika* at [76]-[77], as referred to in subsequent decisions of the Registrar such as *Kenzo v Tsujimoto Kenzo* [2013] SGIPOS 2 at [61].

100 I have found at [70], under the third of the three-stage inquiry in Section 8(2)(b), that there is no reasonable likelihood of confusion. By the same token, a confusing connection between the Application Mark and the Opponents has not been established by the Opponents under Section 8(4)(b)(i) here.

Damage to the Opponents' Interests

101 As the Opponents have failed to establish the following elements under Section 8(4)(b)(i):

- a. The whole or essential part of the Application Mark is identical with or similar to the Opponents' Marks
- b. The Opponents' Marks are well known in Singapore
- c. Use of the Application Mark in relation to the goods claimed would indicate a connection with the Opponents,

it follows that they must also fail to establish that the use of the Application Mark is likely to damage their interests.

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

102 The ground of opposition under Section 8(4)(b)(i) fails.

Ground of Opposition under Section 8(4)(b)(ii)

103 Section 8(4)(b)(ii) of the Act reads:

(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 —

...

(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 —

(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.

Decision on Section 8(4)(b)(ii)

104 The Court of Appeal in *Amanusa* has held at [233] that:

A second, much more extensive level of protection is granted to trade marks which have attained the coveted status of being "well known to the public at large in Singapore." These trade marks, which form *a rare and exclusive class*, are entitled to protection from use of the defendant's trade mark on dissimilar goods or services even in the absence of a likelihood of confusion... (emphasis added)

105 Earlier at [229], the Court of Appeal in *Amanusa* cautioned that "*such protection (i.e. protection despite the absence of confusion) should, for now, properly be the preserve of a rare and privileged few.*"

106 The High Court succinctly comments at [153] of *Ferrero* on the requirement for a mark to be well known to the public at large in Singapore as follows:

The TMA does not define the phrase "well known to the public at large in Singapore". However, in *City Chain*, the Court of Appeal emphasised that the test "well known to the public at large in Singapore" must mean *more* than just "well known in Singapore"; to come within the former test, the trade mark must necessarily enjoy a *much higher* degree of recognition (*City Chain* at [94]). It "must be recognised by most sectors of the public though we would not go so far as to say all sectors of the public" (*City Chain* at [94]). Such an approach, as the Court of Appeal recognised, would be in line with the United States' approach in determining famous marks (*City Chain* at [94]). It flows from the logic in *City Chain* that *if* a trade mark is shown to be "well known to the public at large in Singapore", it is *necessarily* also "well known in Singapore".

107 Having decided that the Opponents' Marks are not well known to the relevant sector of the public in Singapore, *a fortiori* the same mark cannot be said to be well known to the public at large in Singapore, under Section 8(4)(b)(ii) of the Act. The Opponents' evidence certainly did not disclose that the Opponents' Marks were recognised by "*most sectors of the public*" in Singapore. It is therefore unnecessary to further consider the elements of dilution or unfair advantage.

108 The ground of opposition under Section 8(4)(b)(ii) accordingly fails.

Conclusion

109 Having considered all the pleadings, evidence and submissions made in writing and orally, I find that the opposition fails on all grounds. Accordingly, the Application Mark shall proceed to registration.

Costs

110 The Registrar has discretion under the Act to award costs. Recent decisions by the Registrar, such as *Christie Manson & Woods Limited v Chrित्रs Auction Pte. Limited* [2016] SGIPOS 1 and *Ferrero S.P.A. v Dochirnie Pidpriemstvo "Kondyterska Korporatsilia*

“Roshen” [2015] SGIPOS 14, exemplify scenarios where costs do not follow the cause in full or at all.

111 The Applicants’ conduct in this opposition has been described at [3]-[4] above. Such conduct left much to be desired and has wasted the time of the Registrar and the Opponents. While the Opponents are unsuccessful in these proceedings, I hereby award only 25% of costs to the Applicants, to be taxed if not agreed.

Dated this 12th day of August 2016

See Tho Sok Yee

Principal Assistant Registrar of Trade Marks

Hearings and Mediation Group

Intellectual Property Office of Singapore