

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

Trade Mark No. T1210862J
17 June 2016

IN THE MATTER OF A TRADE MARK APPLICATION BY

LG ELECTRONICS INC.

AND

OPPOSITION THERETO BY

BEATS ELECTRONICS, LLC

Hearing Officer: David Llewelyn
IP Adjudicator

Ms Gretchen Su and Ms Bridget Goh (KhattarWong LLP) for the Applicants
Mr Gene Kwek and Mr Just Wang (Bird & Bird ATMD LLP) for the Opponents

Cur Adv Vult

GROUND OF DECISION

1 LG Electronics Inc. (“the Applicant”), a corporation incorporated in the Republic of Korea, applied to register the trade mark

QuadBeat

(“the Application Mark”) in Singapore on 26 July 2012 under Trade Mark No. T1210862J in Class 9 in respect of “MPEG audio layer-3 players; Navigation apparatus; Audio Receivers; Portable multimedia players; Personal digital assistants [PDAs]; Headphones; Earphones (other than hearing aids for the deaf); Speakers; Microphones; Cordless phones; Headphones with microphone

function; Headsets; Remote controllers for televisions; Remote controllers for audios; Remote controllers for cassette players; Remote controllers for MPEG audio layer-3 players; Mobile phones; Smart phones; Television receivers; Portable communication apparatus namely mobile phone handsets, walkie-talkies and satellite telephones.”

2 The application was accepted and published on 3 May 2013 for opposition. Beats Electronics, LLC (“the Opponent”), a limited liability company incorporated in Delaware, United States of America, filed its Notice of Opposition to oppose the registration of the Application Mark on 3 September 2013. The Applicant filed its Counter-Statement on 31 October 2013.

3 The Opponent filed evidence in support of the opposition and amended its grounds of opposition, on 21 July 2014. The Applicant filed its amended Counter-Statement on 19 September 2014 and its evidence in support of the application on 20 March 2015. The Opponent filed its evidence in reply on 17 September 2015. Following the close of evidence, the Pre-Hearing Review was held on 16 October 2015. Leave was granted to the parties to file supplementary evidence. The Applicant filed its supplementary evidence on 24 February 2016 and the Opponent filed its supplementary evidence in reply on 29 March 2016. The Applicant and Opponent each filed its Written Submissions and Bundle of Authorities on 3 June 2016. On 15 June 2016 the Opponent filed a Supplemental List of Authorities and the following day the Applicant did likewise. The opposition was heard on 17 June 2016.

Grounds of Opposition

4 In this opposition the Opponent relies on the absolute ground for refusal in Section 7(6) and the relative grounds for refusal in Sections 8(2)(b), 8(4) and 8(7)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”). In my decision below I shall deal with the relative grounds first before proceeding to the absolute ground.

Opponent’s Evidence

5 The Opponent’s evidence comprises the following:

- (i) A Statutory Declaration made by Susan Chasnov, Senior Counsel of the Opponent (“SC SD”), on 16 July 2014 in the United States of America;
- (ii) a Statutory Declaration in Reply made by Thomas R. La Perle, Assistant Secretary of the Opponent (“TLP SDR”), on 14 September 2015 in the United States of America; and
- (iii) a Supplementary Statutory Declaration in Reply made by the same Mr La Perle (“TLP SDR”), on 24 March 2016 in the United States of America.

Applicant’s Evidence

6 The Applicant’s evidence comprises the following:

- (i) A Statutory Declaration made by Cho Min Su, Trademark Manager in the IP Center of the Applicant (“CMS SD”), on 17 March 2015 in the republic of Korea; and
- (ii) a Supplementary Statutory Declaration made by the same deponent (“CMS SSD”), on 19 February 2016 in the Republic of Korea.

Applicable Law and Burden of Proof

7 As the applicable law is the Act, there is no overall onus on the Applicant either before the Registrar or in opposition proceedings. The undisputed burden of proof in the present case falls on the Opponent.

Background

8 The Applicant is a well-established Korean electronic equipment manufacturer and supplier of the same throughout the world. Amongst the products marketed by the Applicant are mobile telephones and associated accessories including cases, covers and earphones. The mark **QuadBeat** which comprises the Application Mark (applied for in relation to a wide range of goods in Class 9) appears to have been used by the Applicant in Singapore on earphones for use with the Applicant’s mobile telephones.

9 The Opponent is a “leading player in the audio goods and equipment industry” (SC SD, at [4]), marketing and selling its products in many countries, including in Singapore, under various trade marks all of which feature the BEATS mark (sometimes with a prefix such as URBEATS or IBEATS, or with another word(s) BEATS PILL or BEATS BY DR. DRE). In support of this, the SC SD exhibits in evidence (amongst the 2,360 pages) voluminous copies of advertising and promotional materials, including Wikipedia entries on the Opponent, Beats Music (a service owned by the Opponent), the co-founders of the Opponent (André Romelle Young -better known as Dr Dre- and Jimmy Iovine) and its President Luke Wood, together with a large number of screen grabs from the Opponent’s Singapore website www.sg.beatsbydredre.com that illustrate use of the mark BEATS or other BEATS-marks such as BEATS PILL (particularly Exhibits SC-02) and set out the 39 ‘authorized retailers’ of ‘Beats by Dr Dre’ in Singapore (ranging from 1st Mobile at CK Tang to X Gear Sound & Accessories), with screen grabs from the websites of some of them (at Exhibit SC-04).

10 As at the date of application by the Applicant for the Application Mark, 26 July 2012, the Opponent’s BEATS mark had already acquired a degree of notoriety in Singapore; evidenced *inter alia* by an online article that appeared on 30 April 2012 on the Singapore technology website www.hardwarezone.com.sg (a copy of which forms Exhibit TLP-11). That article states: “the Beats branding from Monster has become ubiquitous and can be seen on notebooks from HP as well as HTC smartphones. Their popularity is further confirmed by the number of people on the streets carrying Beats headphones slung across their neck.” This and other evidence exhibited by the Opponent’s two witnesses leaves little doubt that BEATS headphones were popular and recognised in Singapore at the time the Applicant applied for the Application Mark. The Opponent asserts (SC SD, (at[6]), without adducing any evidence in support, that the Opponent’s market share of the Singapore premium headphone

(those sold at >US\$100) market was around 35% in the year 2012: I attach no weight to this unsupported assertion but it remains the case that there is sufficient evidence adduced by the Opponent's two witnesses to convince me that the BEATS range of headphones had been sold in reasonable numbers in Singapore as at the date of application for the Application Mark.

11 On 29 May 2014, the Singapore-based blog TechieLobang (<http://techielobang.com/blog>) reported that Beats Music & Beats Electronics had been acquired by Apple Inc for USD3 billion and published a copy of the Apple Inc press release announcing the acquisition. (Exhibit TLP-6).

12 The Opponent relies on the following marks registered in Singapore:

| Registration Date | Registered Trade Mark | Class and Specification |
|-------------------|--------------------------------------|--|
| 02/11/2011 | BEATS BY DR. DRE T1115347I | Class 9: Headphones; carrying cases for headphones; microphones; audio speakers; loudspeakers; audio equipment, namely, media players, portable media players, DVD players, CD players, media players for automobiles, DVD players for automobiles, CD players for automobiles, digital audio players, portable digital audio players, digital audio players for automobiles; mobile telephones and accessories, namely, cell phones, smart phones, and headsets for portable telephones; personal digital assistants and wireless handheld digital electronic devices for communicating, recording, organizing, transmitting, manipulating, storing and reviewing text, data, image, and audio files; computers; audio components, namely, power cables and cables for the transmission of sounds and images; downloadable music via the Internet and wireless devices; and downloadable visual and audiovisual recordings featuring music and musical based entertainment. |
| 02/11/2011 | IBEATS T1115346J | Class 9: Headphones; carrying cases for headphones; microphones; audio speakers; loudspeakers; audio equipment, namely, media players, portable media players, DVD players, CD players, media players for automobiles, DVD players for automobiles, CD players for automobiles, digital audio players, portable digital audio players, digital audio players for automobiles; mobile telephones and |

| Registration Date | Registered Trade Mark | Class and Specification |
|-------------------|--------------------------------|--|
| | | accessories, namely, cell phones, smart phones, and headsets for portable telephones; personal digital assistants and wireless handheld digital electronic devices for communicating, recording, organizing, transmitting, manipulating, storing and reviewing text, data, image, and audio files; computers; audio components, namely, power cables and cables for the transmission of sounds and images; downloadable music via the Internet and wireless devices; and downloadable visual and audiovisual recordings featuring music and musical based entertainment. |
| 04/11/2011 | BEATS T1115605B | Class 9: Headphones; carrying cases for headphones; microphones; audio speakers; loudspeakers; audio equipment, namely, media players, portable media players, DVD players, CD players, media players for automobiles, DVD players for automobiles, CD players for automobiles, digital audio players, portable digital audio players, digital audio players for automobiles; mobile telephones and accessories, namely, cell phones, smart phones, and headsets for portable telephones; personal digital assistants and wireless handheld digital electronic devices for communicating, recording, organizing, transmitting, manipulating, storing and reviewing text, data, image, and audio files; computers; audio components, namely, power cables and cables for the transmission of sounds and images; downloadable music via the Internet and wireless devices; and downloadable visual and audiovisual recordings featuring music and musical based entertainment. |
| 04/11/2011 | BEATSAUDIO T1115606J | Class 9: Headphones; carrying cases adapted for headphones; microphones; audio speakers; loudspeakers; audio equipment, namely, media players, portable media players, DVD players, CD players, media players for automobiles, DVD players for automobiles, CD players for automobiles, digital audio players, portable digital audio players, digital audio players |

| Registration Date | Registered Trade Mark | Class and Specification |
|-------------------|--------------------------------------|---|
| | | for automobiles; mobile telephones and accessories, namely, cell phones, smart phones, and headsets for portable telephones; personal digital assistants and wireless handheld digital electronic devices for communicating, recording, organizing, transmitting, manipulating, storing and reviewing text, data, image, and audio files; computers; audio components, namely, power cables and cables for the transmission of sounds and images; downloadable music via the Internet and wireless devices; and downloadable visual and audiovisual recordings featuring music and musical based entertainment. |
| 16/02/2012 | URBEATS T1201940G | Class 9: Headphones; carrying cases for headphones; microphones; audio speakers; loudspeakers; audio equipment, namely, media players, portable media players, media players for automobiles, DVD players for automobiles, CD players for automobiles, digital audio players, portable digital audio players, digital audio players for automobiles; mobile telephones and accessories, namely, cell phones, smart phones, and headsets for portable telephones; personal digital assistants and wireless handheld digital electronic devices for communicating, recording, organizing, transmitting, manipulating, storing and reviewing text, data, image, and audio files; computers; audio components, namely, power cables and cables for the transmission of sounds and images. |
| 24/02/2012 | BEATS BY DR. DRE T1202375G | Class 6: Metal rings and chains for keys; exterior insignia badges [badges of metal for vehicles]. Class 9: In-vehicle telephone apparatus and telecommunication devices, namely, hands free mobile and cellular telephones and parts thereof. Class 11: Automotive vehicle lights, namely, headlights, tail lights, fog lights, racing lights, off-road lights, interior lights and automotive lights used for decorative purposes. |

| Registration Date | Registered Trade Mark | Class and Specification |
|-------------------|---|---|
| | | <p>Class 12: Automobiles and their structural parts; optional automotive body kit package comprising external structural parts of automobiles; automobile grilles; vehicle parts for automobiles, namely, interior upholstery, steering wheels, seat belts, chrome hub cap covers, shift levers and knobs, wheels and components thereof, hub caps, step bars, roof racks, brakes, shock absorbers, shock absorbing springs, vehicle anti-roll bars, braces for suspension struts, exterior metal decorative and protective trim, exterior plastic extruded decorative and protective trim, differentials, gear shifts, hoods, fascia in nature of dashboards, steering wheels, seat trim, parking brakes, wheels, brake disc, brake callipers for land vehicle, brake pads, engines for land vehicles, instrument panels; automobile windshield sunshades; bug shields, mud flaps, trailer hitch covers, license plate frames all for automobiles.</p> <p>Class 27: Floor mats and carpets for automobiles.</p> <p>Class 28: Toy replicas of vehicles.</p> |
| 28/02/2012 | <p>BEATS</p> <p>T1202534B-01</p> | <p>Class 6: Rings of common metal for keys; chain of common metal for keys; badges of metal for vehicles.</p> <p>Class 11: Automotive vehicle lights, namely, headlights, tail lights, fog lights, racing lights, off-road lights, interior lights and automotive lights used for decorative purposes.</p> <p>Class 12: Automobiles and their structural parts; optional automotive body kit packages comprising external structural parts of automobiles; radiator grilles of metal for vehicles; vehicle parts for automobiles, namely, interior upholstery, steering wheels, seat belts, chrome hub cap covers, shift levers and knobs, vehicle wheels, hub caps, step bars, roof racks, brakes, shock absorbers, shock absorbing springs, vehicle anti-roll bars, braces for suspension struts, exterior metal decorative</p> |

| Registration Date | Registered Trade Mark | Class and Specification |
|-------------------|--|--|
| | | <p>and protective trim, exterior plastic extruded decorative and protective trim, differentials, gear shifts, hoods, fascia, namely, dashboards; steering wheels, seat trim, parking brakes, wheels, brake discs, brake calipers, brake pads, engines; Automobile windshield sunshades; protective bug shields as structural parts of automobiles, mud flaps, trailer hitch covers, license plate frames all for automobiles.</p> <p>Class 27: Floor mats and carpets for automobiles.</p> <p>Class 28: Toy replicas of vehicles.</p> |
| 28/02/2012 | <p>BEATS T1202534B-02</p> | <p>Class 9: In-vehicle telephone apparatus and telecommunication devices, namely, hands free mobile and cellular telephones and parts thereof.</p> |
| 05/07/2012 | <p>BEATS PILL T1209625H</p> | <p>Class 9: Audio and video equipment, namely audio speakers; car audio speakers; loudspeakers; loudspeaker cabinets; horns for loudspeakers; sound reproduction equipment; audio equipment, namely, subwoofers, sound reproduction equipment; cinematographic equipment and components, namely apparatuses for the reproduction, transmission, amplification and generation of sound for televisions and radios comprised of sound reproduction equipment comprising remote controls, amplifiers, loudspeakers and components therefor; audio speakers for home theater systems; cellular phones; portable MP3 players; portable MP4 players; protective carrying cases adapted for portable music players; smart phones; cell phones; headsets for mobile phones; telephones and accessories, namely, cases adapted for cellular telephones and headphones; computers; laptop computers; computer accessories, namely, blank Universal Serial Bus (USB) flash drives, Universal Serial Bus (USB) hubs, audio speakers for computers.</p> |

MAIN DECISION

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

13 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)

14 The leading case on the interpretation and application of Section 8(2)(b) is the Court of Appeal's decision in *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 (“*Staywell*”). This decision re-affirmed the step-by-step approach that should be taken to the application of this ground of refusal, at [15]: the first step being a determination as to whether the Applicant's and Opponent's marks are similar; if not, the enquiry ends there but if so, the second step is to determine if the goods and/or services are identical or similar; if not, again the enquiry ends there but if so, the third step is to determine whether as a result of the similarity and identity/similarity found in relation to the first two steps there ‘exists a likelihood of confusion on the part of the public’.

15 When following the step-by-step approach it is important for me to bear in mind that the average (or normal) consumer of the relevant goods/services is unlikely to have the opportunity to compare side-by-side the Applicant's and Opponent's marks, and therefore his/her recollection of either or indeed both may be inexact or imperfect. On the other hand, it is through the eyes and ears of the average consumer of the particular goods in respect of which registration is being sought by the Applicant, and the Opponent has registered its earlier mark, that assessment of whether there is a likelihood of confusion must be made, if that third step is reached: it is not through my eyes and ears as the adjudicator or the eyes and ears of an unusually observant member of the public.

16 At the hearing it was argued by the Opponent that the average consumer of the goods in this case, which it was accepted by both the Applicant and the Opponent could be described generically as ‘audio electronic products’, does not possess the characteristics of a sophisticated audiophile and is not particularly brand conscious. Instead the Opponent contended that the average consumer would take more care, ‘but not much more’, than when buying an everyday product. On the other hand, the Applicant considered that the average consumer would be ‘brand-savvy’ and exercise a ‘fair degree of care’ in choosing products. On balance, I am of the view that the average consumer of (or the target audience for) audio electronic products is both reasonably brand aware and would tend to exercise a higher degree of care and attention to his/her choice of product than would a buyer of an everyday product.

17 It is important to bear in mind that in opposition proceedings (as distinct from infringement proceedings, where the court necessarily has to consider an actual or threatened use in the marketplace of an allegedly infringing sign by the defendant) it is necessary to consider ‘notional and fair use’ of the respective marks in relation to the full range of goods covered by the specifications of both the Applicant’s and the Opponent’s marks. It is thus not legitimate to focus on prior use by the Opponent of BEATS on expensive or premium audio products only in order to suggest that the average consumer must be taken to be (to adopt the Opponent’s description, which it contended was inappropriate) ‘sophisticated audiophiles’ who could then be taken to be unusually observant, as it is perfectly open to the Opponent if it so wishes to start using its registered mark(s) on or in relation to inexpensive audio electronic products in the future.

Similarity of Marks: the First Step

18 Although the Opponent relied on the nine different ‘earlier trade marks’ registered in Singapore at the application date for the Application Mark (ie, 26 July 2012) set out in paragraph 12 above, it accepted in its Written Submissions (at [33]) and at the hearing that the comparison most favourable for the Opponent is that between its registered mark for the word BEATS *simpliciter* in Class 9 (TM No.T1115605B)(“the BEATS Mark” or “the Opponent’s BEATS Mark”) and the Application Mark. Therefore, in this decision I concentrate on the comparison set out below, except where I deal (at paragraph 32 and following) with the Opponent’s submission that such comparison should take into account its ownership of a larger ‘family’ of BEATS marks (both registered and unregistered), all of which share the word BEATS together with either a preceding word/prefix (like URBEATS and HEARTBEATS) or following word (like BEATS STUDIO) .

| Application Mark | Opponent's BEATS Mark |
|------------------------|-----------------------|
| <i>QuadBeat</i> | BEATS |

19 My task is to decide whether the Application Mark and the BEATS Mark are ‘similar’, taking into account the presence or absence of visual, aural and conceptual similarities (as re-affirmed by the Court of Appeal in *Sarika Connoisseur Café Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 at [16]). This is an overall evaluation of the marks as applied for (by the Applicant) and registered (by the Opponent), without consideration of any other material or matters. Obviously, ‘similarity’ can lie anywhere on a spectrum that ranges from identical (or 100% similarity) to no similarity (or 100% dissimilarity), with various degrees of low and high in between. The Court of Appeal in *Staywell* cautioned against a ‘checkbox exercise’ rather than a ‘sensible appraisal of the marks as a whole’. However, it rejected the advice of the learned *amicus curiae* that even ‘very weak’ similarity suffices for a finding of mark-for-mark similarity; holding that, instead of “a minimum threshold approach”, the tribunal “must ultimately conclude whether the marks, when observed in their totality, are similar rather than dissimilar”, all at [17].

20 Each of the two marks must be considered as a whole and not broken down into its component parts, for that is the way the average consumer of whatever may be the relevant goods/services would consider them, although (as I have already stated) the possible impact of imperfect recollection must be borne in mind.

21 However, at the marks-similarity stage the comparison is solely between the mark applied for and the earlier mark, without reference to any other matter: as explained by the Court of Appeal in *Staywell*, at [20]: “this even extends to not considering the relative weight and importance of each aspect of similarity having regard to the goods”. Thus, although the Opponent contends that BEATS is a “strong trade mark that possesses a high level of inherent distinctiveness in relation to the registered goods” (Opponent’s Written Submissions at [35]), this is not a fact (even if I were to accept that it is correct, which I do not) which may be taken into account at this stage: it is only if I find the first two ‘similarity’ steps are satisfied, and so move on to consider whether there is a likelihood of confusion as a result of those similarities, that this may be considered.

22 So, notwithstanding that, as re-iterated in *Staywell* at [25], “it is an integral factor in the marks-similarity inquiry”, the technical distinctiveness of the two marks must be considered in the abstract at this stage, ie without reference to the actual goods/services at issue. Applying this to the two marks before me, the Application Mark **QuadBeat** is an invented word and therefore has a considerable degree of inherent technical distinctiveness as it is “meaningless” (*Staywell*, at [24]), although is not without allusive impact if used in relation to audio products. On the other hand, depending on the goods/services in respect of which it is used the technical distinctiveness of the word BEATS could range from being inherently distinctive to being devoid of distinctive character: to take three examples in that range, it would have inherent technical distinctiveness in relation to clothing (as it has no reference to any character or quality of clothing), have relatively low inherent distinctiveness (by virtue of its highly allusive nature) in relation to audio electronic products and be descriptive if used as a trade mark for kitchen utensils that may be used for beating, such as whisks. For the avoidance of doubt, I should emphasise that I am not suggesting that the Opponent’s BEATS Mark is without distinctive character as a trade mark for the audio electronic products in respect of which it is registered: merely that the Court of Appeal in *Staywell* made clear, at [20]-[25], that the level of distinctiveness of the earlier mark in relation to the goods for which it is registered is an issue reserved for the likelihood of confusion enquiry, if it is reached.

23 I now move to apply these principles to the comparison of marks before me, from a visual, aural and conceptual perspective; in other words, looking at them, listening to them if they can be spoken (and obviously some marks, such as device marks, cannot be) and considering their meaning if they have any.

Visual similarity

24 When considered visually, the Opponent’s BEATS Mark comprises the common, five-letter word BEATS (written in upper-case letters, therefore covering “every font or style possible”: *per* George Wei J in *Allergan, Inc v Ferlandz Nutra Pte Ltd* [2016] SGHC 131 at [44]). On the other hand, the Application Mark is comprised of the combination into one eight-letter word, written in a slightly-stylized italic font, of two common, four-letter words Quad and Beat (with an initial upper-case Q, an upper-case B and the other six letters in lower-case); neither of the two words is more dominant visually than the other. Thus, the Application Mark shares with the Opponent’s BEATS Mark the word BEAT, although in the former it is preceded by another four-letter word

of equal prominence and in the latter is followed by the letter ‘s’ which has equal prominence with the other four letters making up the mark BEATS. This is not a case where the opponent’s mark is wholly included in the applicant’s mark and I reject also the Opponent’s assertion that “[t]he capitalization of the letter ‘B’ clearly indicates that ‘Beat’ is intended to be a distinct and dominant component of the Application Mark” (Opponent’s Written Submissions at [44], *emboldening and underlining omitted*), as there is no reason why the second part of the mark (Beat) should be given more attention than the first (Quad), ie be ‘dominant’ *as well as* ‘distinct’.

25 Taking all these factors into account, I consider that from a visual perspective the two marks are clearly dissimilar rather than similar.

Aural similarity

26 When considered from an aural perspective, both marks are word marks that are easily pronounced (subject to my comment below on possible sloppy pronunciation of the Application Mark). The Opponent’s BEATS Mark is comprised of one syllable, starting with the plosive consonant sound ‘b’ and terminating with the fricative consonant sound ‘s’; whereas the Application Mark is two syllables with equal stress on both, starting with the hard ‘kw’ consonant sound and ending with the plosive consonant sound ‘t’. To the extent that pronunciation of the Application Mark by an average consumer may be less than perfect, I would suggest that it is the second part ‘beat’ that may be swallowed in part and the plosive ‘t’ not enunciated properly or at all, resulting in an increased importance for the first word ‘quad’. Even if that common sense view is not correct and equal stress should be given to both syllables, from an aural perspective I consider the two marks are dissimilar rather than similar.

27 In relation to both the visual and the aural perspective, I have considered carefully the Decision on 27 July 2015 of the Opposition Division of the Office for Harmonization in the Internal Market (“OHIM OD”) in Opposition No B 2 254 665 made by the Opponent to an application to register as a Community Trade Mark, in relation to a wide range of products falling within Class 9, the mark BEATPOWER (Tab 5 of the Opponent’s Bundle of Authorities). In that Decision, which is relied on by the Opponent, the OHIM OD found *inter alia* that the earlier trade mark BEATS and the mark applied for were visually and aurally similar. Of the latter, the OHIM OD found that “the signs are similar to the extent that they coincide in the word ‘BEAT’, and they differ in the last letter ‘S’ of the earlier mark and in the word ‘POWER’ of the contested sign.” Of the latter, the OHIM OD considered that “the pronunciation of the signs coincides in the sound of the word ‘BEAT’. The pronunciation differs in the sound of the letter ‘S’ of the earlier sign and of the word ‘POWER’ in the contested sign.” (Both at p.4 of the Decision, Tab 5 of the Opponent’s Bundle of Authorities). Whilst obviously I am not bound in any way to follow the Decision, even on the assumption that a tribunal in Singapore following the *Staywell* principles explained above would come to the same conclusion on similarity between BEATS and BEATPOWER (on which I have some considerable doubt¹), I do not find it helpful guidance in my consideration of the

¹ Indeed, in view of the now significant differences in certain respects between trade mark law in the EU and in Singapore, I would urge that parties to opposition proceedings exercise caution in the use of authorities from the former. A good example of an EU case in the Opponent’s Bundle of Authorities that is positively misleading if it were to be relied upon in Singapore is at Tab 6, the OHIM Decision in *Beats Electronics, LLC v LG Electronic INC* [sic] Case No. 002390196. The Opponent states that the

comparison between the monosyllabic word BEATS and **QuadBeat** a meaningless 8-letter, disyllabic word in which the initial 4-letter word/syllable Quad must be given at least as much attention as the second 4-letter word/syllable Beat, whereas in the BEATS/BEATPOWER comparison the first four letters of the two marks are identical.

Conceptual similarity

28 From a conceptual perspective, the Opponent's BEATS Mark is a relatively common word with a multitude of meanings, some of which are in the plural (such as more than one basic unit of time in music theory). By comparison, although the Application Mark is comprised of two relatively common words, it is their combination in a single, invented word that makes the resultant mark distinctive for the purposes of the Act. In this context, the decision of the Court of Appeal in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] SGCA 26 at [35], in relation to the mark "Lady Rose", is particularly apposite:

"It is the juxtaposition of the words that engenders distinctiveness, in that when used together, the words do not convey a sensible meaning" [emphasis in the original omitted].

I would also note at this juncture that, in my view, each of the two words that make up the invented word that is the Application Mark is equally dominant in the mark as a whole: this is not a case in which the first word or syllable is more important than the second but equally it cannot sensibly be contended that the first word/syllable can be ignored or given less weight than the second.

29 The Opponent relies in its Written Submissions on marks-similarity (at [31]) on the statement of George Wei J in *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 at [29] that "it follows that where the opponent's mark has a feature that is clearly dominant and distinctive, the fact that this feature is also found in the applicant's mark will naturally tend to support finding of overall similarity even if some other features are different". I do not agree that this assists the Opponent at the marks-similarity stage: the Opponent's BEATS Mark is a common, five-letter word which, although it may be or become distinctive as a trade mark, is not included in the Application Mark which is clearly different to it. Thus, I consider that the marks are dissimilar conceptually: one is an invented word each part of which ('quad' and 'beat') has a degree of possible allusive meaning (although the combination is meaningless); the other is a mark comprising a commonly used word that could have a number of allusive meanings.

Overall similarity/dissimilarity of the marks

relevance of this is that "the OHIM Tribunal held that the 'BEATS' mark had no meaning in relation to any of the goods and service [sic] of the Opposition." However, it is made clear in the Decision (at [3]) that the comparison of the signs by the Opposition Division is focused on "the Spanish-speaking part of the relevant public" for whom BEATS has no meaning: thus, the case is not only irrelevant in a Singapore context but its claimed relevance is misleading.

30 Weighing up carefully all three aspects of marks-similarity and making an overall valuation, I find that the Applicant's mark **QuadBeat** and the Opponent's BEATS Mark are dissimilar rather than similar.

31 When each of the other eight registered marks relied on by the Opponent (as set out in paragraph 9 above) is compared with the Application Mark, there is no greater degree of similarity with respect to any one of them than there is between the Application Mark and the BEATS Mark and therefore I find that each is dissimilar to the Application Mark. In relation to IBEATS and URBEATS, the two registered marks that are invented words created by putting a prefix before the word BEATS (as with Quad before the different word Beat), the dominant aspect of both is the word BEATS (which I have found is dissimilar to QuadBeat) and that word is preceded by, respectively, 'I' and 'UR' neither of which bears any similarity to the word Quad.

A BEATS family of marks?

32 Before proceeding further, I should address the Opponent's contention, pressed forcefully at the hearing and set out in the Opponent's Written Submission at [4] to [25], that "[t]he concept of a family of trade marks is significant in the present case as it forms the backdrop to several grounds of opposition." In that connection, the Opponent referred *inter alia* to the IPOS Trade Mark Registry's Trade Mark Work Manual, Version 4 of November 2015, which states at p.39:

"Where a number of similar marks in the same ownership incorporate an identical element as a family of marks and another party also applies for registration of a mark incorporating that element, the public may assume that the new mark originates from the same undertaking as an addition to the family of marks and be confused or deceived if that is not the case."

33 The Opponent relied on the fact that as at the date of the application for the Application Mark the Opponent owned (and continues to own) nine registered marks in Singapore that include the word BEATS. In addition the Opponent refers in its Written Submissions (at [15]) to ten other examples of marks containing the word BEATS (justbeats, heartbeats, beatswireless, beatspro, beatsstudio, beatssolo², beatstour, beatsexecutive, powerbeats and diddybeats) and adduces some evidence of use thereof (Exhibits TLP-2 and TLP-3). Exhibit TLP-3 comprises screengrabs of pages from the Opponent's Singapore-specific website and includes 8 consumer product reviews of BEATS products predating the Applicant's application for the Application Mark and 3 consumer product reviews thereafter of the BEATS PILL product (in December 2013). The date on which the screengrabs from the Opponent's Singapore website were made is not stated, although it must have been after the latest of the consumer product reviews in December 2013. The bare assertion that these additional ten marks "are used on the Opponent's collection of headphones, earphones, speakers and related accessories" and "are available in Singapore" (Written Submissions, at [19]), without adducing evidence of either when or whether any sales were made under all or any of these marks, does not assist the Opponent. It cannot be the case that the mere inclusion of a mark amongst many others on a Singapore website constitutes trade mark use (or indeed use capable of generating goodwill) in Singapore without anything further.

34 In *Lacoste v Carolina Herrera, Ltd* [2014] SGIPOS 3, the learned Assistant Registrar considered carefully (at [32] to [38]) the EU and Singapore authorities concerning the impact of a family of trade marks if it could be proved on the facts of a particular case, before concluding (at [39]):

“at the end of the day, the query goes towards establishing whether there is a likelihood of confusion as a result of the applicant's use of a common element in the registered proprietor's trade marks.”

I respectfully agree with the conclusion of her analysis and consider it unnecessary to make a decision on the facts of the case before me (although I do note in passing that the Application Mark clearly does not include the one element the Opponent relies on for its ‘family’ argument, ie the word BEATS), having decided as I have that the marks are dissimilar and therefore that it is unnecessary to proceed to consider whether there is a likelihood of confusion.

Similarity of Goods/Likelihood of confusion: the Second and Third Steps

35 Had it been necessary for me to do so, I would now have moved on to consider the goods-similarity and thereafter to an assessment of the likelihood of confusion. However, the marks are in my view so clearly dissimilar (rather than similar) that I do not consider any useful purpose is served by proceeding further with the three-step enquiry that ends with a consideration of whether there is a likelihood of confusion as a result of the mark and goods/services similarities, given that to do so would require me to assume a critical fact that I have found is lacking, ie marks-similarity, and without which there cannot be a likelihood of confusion. In the event of a successful appeal against my decision on marks-similarity, I do not consider that my view on whether or not there exists a likelihood of confusion if hypothetically the marks are viewed to be similar rather than dissimilar can or should be given any weight.

Conclusion on Section 8(2)(b)

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

Ground of Opposition under Section 8(4)

37 Section 8(4) of the Act reads:

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.

Decision on Section 8(4)

Similarity of marks

38 In order for an opposition to succeed under one or more of the different heads of infringement under Section 8(4), it is necessary for the Opponent to establish first of all that the whole or an essential part of the applicant's mark is identical or similar to the earlier mark. If that first and essential element is proven, the other parts of the provision need to be established.

39 In relation to the first element, Justice George Wei in *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618 considered, at [142]-[145], whether in view of the different wording of the two provisions there is any difference in the marks-similarity analysis required under Section 8(4) and that under Section 8(2)(b), concluding (at [146]) that there is not. In view of this, I am bound to transpose my finding under Section 8(2)(b) that the two marks are dissimilar to one that there is for the purpose of Section 8(4) not the requisite similarity between the Opponent's BEATS Mark and 'an essential part' of the Application Mark. In this context, it is important to note again the meaningless nature of the Application Mark, comprising as it does a combination in a single word of two words/syllables of equal weight, that means that it is inappropriate to break it down into its constituent parts, or, to put it another way, what is 'essential' is the whole of the Application Mark **QuadBeat** and I have found already that that is dissimilar to the Opponent's BEATS Mark.

40 On the facts, as the Opponent has failed to establish the first and essential element, it is again unnecessary to proceed to consider the different heads of infringement under Section 8(4) that may apply if there is such marks-identity/similarity. The absence of marks-similarity means that, first, there cannot logically be a connection likely to damage the interests of the proprietor of the earlier mark (contrary to Section 8(4)(b)(i)) and, secondly, the Application Mark could not (contrary to Section 8(4)(b)(ii)(A)) cause dilution to the distinctive character of, or (contrary to Section 8(4)(b)(ii)(B)) take unfair advantage of, the earlier trade mark (even were I to have found that it was well known to the public at large in Singapore at the relevant time).

Conclusion on Section 8(4)

41 The three grounds of opposition under Section 8(4), namely under Section 8(4)(b)(i), 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B), therefore fail.

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

42 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)

43 When considering an opposition based on Section 8(7)(a), it is the role of the tribunal to assess whether, on the facts before it (which are usually far less extensive than adduced in an actual passing off action), it is likely on the balance of probabilities that the opponent would have succeeded in a passing off action against the applicant in respect of the applicant’s notional and fair use of the mark applied for in relation to the goods/services in respect of which registration is sought, had it been so minded to bring such an action. The date in relation to which this assessment needs to be made is the date of application for the Application Mark being opposed, in this case 26 July 2012.

44 As the Court of Appeal reiterated in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd* [2016] SGCA 33 (“*Singsung*”):

“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.

...

28 ... 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 representation.

...

30 ... The critical question, in cases involving a misrepresentation as to trade origin, is whether the defendant is putting forward goods, which it, in one way or another, is passing off as the plaintiff’s or as related to the plaintiff. At one end of the spectrum, a defendant may commit outright counterfeiting of the whole of the plaintiff’s goods. In such cases, it is almost certain that passing off will be established. The further away one moves from outright counterfeiting, the more likely it is that the defendant will succeed. Ultimately, whether passing off is found to have occurred in a particular case is a fact-dependant exercise. For this reason we agree with the observation made by Lord Oliver in *JIF Lemon* [[1990] WLR 49] (at 499) that reference to other cases are [sic] likely to be only of tangential assistance to a court deciding a matter.”

45 What is protected in the passing off action is a trader’s goodwill, often generated through the use in the course of trade of a particular mark under which the trader has developed relationships with its customers: “the tort of passing off protects a trader’s *relationship* with his customers.” (*Singsung*, at [33]). Thus, to succeed in a passing off action the plaintiff must establish the classical trinity of goodwill,

misrepresentation and damage: *The Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2016] SGCA 25 at [80].

46 As far as proving goodwill in Singapore is concerned, much of the evidence adduced by the Opponent is either irrelevant or to be accorded very little evidential weight as it relates to promotional activity and advertising outside Singapore (for example, Exhibit TLP-09 exhibiting newspaper articles from *The Guardian* and the *Financial Times* referring to the Opponent's market share in the United States and worldwide revenues; Exhibit TLP-14 exhibiting photographs of a range of celebrity endorsements of BEATS BY DR DRE products by the likes of Justin Bieber, Will.i.am, Eminem, Taylor Swift, Nicki Minaj, P Diddy and sports stars such as Kobe Bryant, Luis Suarez, Serena Williams, Bastian Schweinsteiger and Sun Yang). However, on the basis of the relevant evidence adduced by the Opponent in relation to the position in Singapore at the relevant time (referred to at paragraph 10 above), it is sufficiently clear that the Opponent had generated goodwill here through its use of the BEATS mark (albeit in a number of different forms such as BEATS BY DR DRE, BEATS AUDIO and HEARTBEATS BY LADY GAGA, see Exhibits TLP11 and 12) prior to 26 July 2012, the date upon which the Applicant applied to register its mark **QuadBeat**.

47 Notwithstanding this, in order to succeed in this ground of opposition the Opponent must, in addition to establishing goodwill, prove the other two elements of the classical trinity: first, an actionable misrepresentation and, secondly, damage to its goodwill occasioned by that misrepresentation. As was clarified by the Court of Appeal in *Singsung*, it is at the misrepresentation stage that one takes into account the distinctiveness, or lack of it, of the trade indicium/indicia the use of which the plaintiff has relied upon to establish goodwill, at [37]. Thus, in the present case I must take into account, in deciding whether in the notional passing off action there would be a misrepresentation by the Applicant, the relative lack of distinctiveness, or to put it another way the highly allusive nature, of the Opponent's marks incorporating the common word BEATS when used in relation to audio products. Against that, I am mindful that in relation to this head of opposition (unlike the others previously considered) I must take into account not only the individual earlier marks each in isolation from the others but also the full extent of the Opponent's position in the marketplace at the relevant time. In other words, I must bear in mind the extent of the Opponent's use in Singapore of the BEATS mark in all its manifestations (alone, with a prefix such as HEARTBEATS and with other following words such as BY DR DRE) as at 26 July 2012, and then decide whether the notional and fair use of the Application Mark in relation to the goods for which the application is made would have constituted a misrepresentation. In this context, I note that the Applicant has adduced evidence (for example, CMS SD at [6] to [8], together with Exhibit A) that its actual use of the Application Mark in Singapore has been only on accessory products sold together with the Applicant's mobile phones but do not take this into account as I must consider notional and fair use of the Application Mark in relation to all the goods in respect of which registration is sought.

48 Taking into account all the evidence, I have decided that the Opponent fails in its opposition under this ground once again because as a matter of fact the Application Mark is dissimilar to each of the BEATS marks individually and even when taken together, and therefore its use in relation to the goods in respect of which registration

is sought could not constitute an actionable misrepresentation. The Opponent has failed to adduce any evidence to persuade me that a reasonable consumer of the relevant goods could be deceived into believing, contrary to the fact, that there was any commercial connection between the defendant's products bearing the mark **QuadBeat** and those of the Opponent. In this connection, I note again the relatively low degree of distinctiveness (or, to put it as I did above, the highly allusive nature) of the word BEATS as a mark for audio products. The mere fact that the Opponent has sold in Singapore audio products under that mark or others (all of which incorporate the word BEATS) does not mean that third parties in Singapore are disentitled to use on the same or similar goods trade indicia that incorporate the clearly different but equally descriptive word BEAT provided such use (as here, in the form of a meaningless word **QuadBeat**) does not cause deception.

Conclusion on Section 8(7)(a)

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

Ground of Opposition under Section 7(6)

50 Section 7(6) of the Act reads:

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

Decision on Section 7(6)

51 An opposition grounded on the allegation that the applicant has acted in bad faith in making its application for registration of a trade mark under the Act is a serious one that should not be made lightly. As stated by the Court of Appeal in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 at [30], it must be distinctly proved and this will rarely be possible by a process of inference.

52 The Opponent seems to base its opposition on this ground solely upon the alleged notoriety of the BEATS mark(s) and its conclusion from this that the Applicant must have been aware of it (them) when it made its application to register **QuadBeat**. The Opponent exhibits, in support of its contention that the Applicant made its application in bad faith, a copy of an article titled "How Beats by Dr Dre became embedded in K-Pop Culture" dated April 2012 that appeared on the website www.seoulbeats.com (at Exhibit TLP-16) and another titled "Korean Beats by Dr Dre" dated 9 February 2011 that states that "As alot [sic] of you may know Korean Artists and Bands were one of the first celebrities to endorse these headphones in their music videos" (at Exhibit TLP-22).

53 The Opponent contends (Written Submissions, at [177]), that the Applicant "has not offered any reasonable explanation for its choice of the Application Mark, and in particular its use of the Opponent's well known "BEATS" trade mark in relation to identical goods". The Applicant states, on the other hand, that it "was never aware and did not have knowledge of the Opponent's marks" (CMS SD, at [37.2]). Be that as it may, it is unnecessary for me to make a finding as to whether this was or

could be true: the burden of proof in relation to an allegation of bad faith is borne by the Opponent and it has failed signally to discharge it. An application cannot be viewed as being in bad faith when it is in respect of a mark that is not even similar to an earlier mark belonging to a third party, especially when that earlier mark is a common word that is highly allusive. The Application Mark is clearly and inherently distinctive and, contrary to the Opponent's contention cited above, does not use the Opponent's BEATS mark. For ease of reference, I set out again the Application Mark and the earlier mark:

| Application Mark | Opponent's BEATS Mark |
|------------------|-----------------------|
| QuadBeat | BEATS |

54 This is even more the case where the only element shared by the mark applied for and the earlier mark is itself another highly allusive word, BEAT, in the context of the specification of goods and is contained in a number of other earlier registered marks for the same or similar goods owned by different third parties all unrelated to either the Opponent or the Applicant. As noted by the Applicant in its Written Submissions (at [4.6]), these registrations in Class 9 include:

| Registration No. | Registered Trade Mark | Trade Mark Proprietor |
|------------------|--------------------------|---------------------------------------|
| T9711460D | BEAT JAM | Sony Corporation |
| T0902421G | BACKBEAT | Plantronics, Inc. |
| 40201511822R | Sugar beat | Dermal Diagnostics Limited |
| T0015839C | beatmania | Konami Digital Entertainment Co., Ltd |
| T0611921G | Beat Spot | Yamaha Corporation |
| T0701478H | ELITE BEAT AGENTS | Nintendo Co., Ltd |
| T0815100B | The BEAT Edition | Samsung Electronics Co., Ltd |
| T1208186B | myBeat | Union Tool Co. |
| T1413806C | Basler beat | Basler AG |

I make no comment on the validity of all or any of the above registrations (at least five of which are owned by corporations in the electronics field) and do not have any evidence as to whether they are or have been in use in Singapore: however, they do serve to illustrate that the word BEAT is one that presumably honest traders may wish to use in connection with goods in Class 9.

Conclusion on Section 7(6)

55 The ground of opposition under Section 7(6) therefore fails.

Conclusion

56 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition fails on all grounds. The Applicant is also entitled to costs to be taxed, if not agreed.

Dated this 16th day of September 2016

David Llewelyn
IP Adjudicator
Intellectual Property Office of Singapore