

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

Trade Mark No. T1317050H
22 August 2017

IN THE MATTER OF A TRADE MARK APPLICATION BY

**MORINAGA NYUGYO KABUSHIKI KAISHA (MORINAGA MILK
INDUSTRY CO., LTD.)**

AND

OPPOSITION THERETO BY

STARBUCKS CORPORATION D/B/A STARBUCKS COFFEE COMPANY

Hearing Officer: Lorraine Anne Tay
IP Adjudicator

Ms Lim Siau Wen (Drew & Napier LLC) for the Applicant

Mr Melvin Pang and Mr Nicholas Ong (Amica Law LLC) for the Opponent

GROUND OF DECISION

1 At its heart, this dispute brings two interesting issues to the fore. First, can an opponent take issue with a competitor's mark on the basis of a similar colour scheme and layout? To what extent should trade mark law extend its reach without stifling free competition between traders? The second issue turns on whether use of geographical reference(s) in a mark results in "public deception". With increased globalisation and free movement of goods across borders, many businesses boast global operations; it is not uncommon for entrepreneurs and businesses alike to draw inspiration from foreign places, cultures and lifestyles. But what are the limits to importing foreign influences or indicators in a business? This decision attempts to calibrate and balance these delicate issues on the facts.

2 Morinaga Nyugyo Kabushiki Kaisha (also trading as Morinaga Milk Industry



Co., Ltd) (“the Applicant”), applied to register the trade mark (“the Application Mark”) in Singapore on 23 October 2013 under Trade Mark No. T1317050H in respect of the following goods:

Class 29

Milk; milk products; milk beverages (milk predominating)

Class 30

Coffee; unroasted coffee; coffee beverages with milk; coffee-based beverages; artificial coffee; sugar; ice cream; ice candy; sherbets (confectionery); ice cream cones.

3 The application was accepted and published on 13 March 2015 for opposition. Starbucks Corporation D/B/A Starbucks Coffee Company (“the Opponent”) filed its Notice of Opposition to oppose the registration of the Application Mark on 13 May 2015. The Applicant filed its Counter-Statement on 13 July 2015.

4 The Opponent filed evidence in support of the opposition on 17 March 2016. The Applicant filed its evidence in support of the application on 16 November 2016. The Opponent filed its evidence in reply on 16 February 2017. Following the close of evidence, the Pre-Hearing Review was held on 28 March 2017, where leave was granted to the parties to file supplementary evidence. The Applicant filed its supplementary evidence on 13 May 2017. The Opponent filed its supplementary evidence in reply on 9 June 2017. The opposition was heard on 22 August 2017.

Grounds of Opposition

5 The Opponent relies on the absolute grounds for refusal in Sections 7(4)(b) and 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 grounds.

Opponents’ Evidence

6 The Opponent's evidence comprises the following:

- (i) a Statutory Declaration made by Sophie Hager Hume, Vice President, Assistant General Counsel and Assistant Secretary of the Opponent, on 10 March 2016 in Seattle, Washington, U.S.A ("Opponent's SD");
- (ii) a Statutory Declaration in Reply made by Phyllis Turner-Brim, Vice President, Assistant General Counsel – IP and Technology of the Opponent, on 13 February 2017 in Seattle, Washington, U.S.A ("Opponent's SDR"); and
- (iii) a Supplementary Statutory Declaration in Reply made by the same Phyllis Turner-Brim on 1 June 2017 in Seattle, Washington, U.S.A ("Opponent's SDDR").

Applicants' Evidence

7 The Applicant's evidence comprises the following:

- (i) a Statutory Declaration made by Masahiko Horiuchi, Manager, General Affairs Department, Legal Affairs Office of the Applicant, on 4 November 2016 in Japan ("Applicant's SD"); and
- (ii) a Supplementary Statutory Declaration made by the same Masahiko Horiuchi on 10 May 2017 in Japan ("Applicant's SSD").

Applicable Law and Burden of Proof

8 The applicable law is the Act and the undisputed burden of proof in the present case falls on the Opponent.

9 The parties filed their written submissions for this case as follows:

- (i) Opponent's written submissions, filed on 21 July 2017 ("Opponent's Written Submissions");
- (ii) Applicant's written submissions filed on 21 July 2017, and revised submissions in replacement thereof filed on 25 July 2017 ("Applicant's Written Submissions");
- (iii) Opponent's reply submissions tendered at the hearing on 22 August 2017 ("Opponent's Reply Submissions"); and
- (iv) Applicant's reply submissions tendered at the hearing on 22 August 2017 ("Applicant's Reply Submissions").

Background

10 The Applicant is a Japanese manufacturer of dairy products including milk, ice cream, beverages and foods. It is well-established in Japan, having been founded in 1917.

11 The Application Mark is not new. The Applicant has been using this trade mark in Japan in respect of coffee and coffee-based beverages for more than 20 years, since February 1993,¹ boasting sales in Japan of 39 billion Japanese Yen in 2015.² Their products are sold in Japan in convenience stores, supermarkets and vending machines,³ and sales have expanded to Thailand since 2014.⁴ Based on the evidence before me, I have not been made aware of any goods bearing the Application Mark being sold in Singapore.

12 Founded in 1971, the Opponent is one of the largest roasters and retailers of specialty coffee in the world.⁵ The Opponent established its first *Starbucks* store in Singapore in 1996⁶ and boasts more than 100 stores throughout Singapore.

¹ Applicant's SD at [11].

² Applicant's SD at [14].

³ Applicant's SD at [13].

⁴ Applicant's SD at [16].

⁵ Opponent's SD at [3].

⁶ Opponent's SD at [4].

13 The Opponent relies on its trade mark registrations in Singapore as follows, which it has collectively defined as the "Opponent's Marks":

Trade Mark No.	Registered Trade Mark	Class / Goods
T8806954E		<p><u>Class 30</u> Coffee.</p>
T0516238J		<p><u>Class 30</u> Ground and whole bean coffee, cocoa, herbal tea [other than for medicinal use]and non-herbal tea, coffee, tea, cocoa and espresso beverages, and beverages made with a base of coffee and/or espresso, beverages made with a base of tea, powdered chocolate and vanilla, flavoring syrups to add to beverages, baked goods including muffins, scones, biscuits, cookies, pastries and breads, sandwiches, chocolate and confectionery items, hot and cold ready-to-eat fruit and whole grain based cereal, ready-to-drink coffee, ready-to-drink tea, ice cream, milkshakes and frozen confections; chocolate, candy and confections.</p>
T0008800Z		<p><u>Class 29</u> Milk and milk products, namely, pasteurized milk, skim milk, whole milk, flavored milk, vitaminized milk, sterilized milk, evaporated milk, powdered milk, condensed milk and malted milk; liquid and powdered beverage mixes used to make milk-based food beverages; dairy-based food beverages; cream; whipping cream; dairy or non-dairy based whipped cream, liquid non-dairy coffee creamer; powdered non-dairy coffee creamer, soy based food beverage used as a milk substitute.</p>

T9409013E		<p><u>Class 30</u> Ground and whole bean coffee, cocoa, tea; coffee, tea, cocoa, espresso beverages and beverages made with a base of coffee, espresso and/or milk; powdered chocolate and vanilla; baked goods, muffins, scones, biscuits, cookies, pastries and breads, and ready-to-make mixes of the same; chocolate and confectionery items; granola; ready-to-drink coffee, coffee-based beverages; all included in class 30.</p>
T9609953I		<p><u>Class 29</u> Fruit jams, jellies, spreads, curds and preserves; milk, flavored milk and milk based beverages; all included in class 29.</p>
T1100011G		<p><u>Class 29</u> Milk, flavored milk, milkshakes and milk based beverages; fruit jams, fruit sauces, jellies, cheese spreads, crab spreads, dairy spreads, food spreads being a blend of edible oils and edible fats, food spreads consisting principally of edible fats, food spreads consisting principally of edible oils, food spreads consisting principally of vegetables for sandwiches, fruit spreads, lemon spreads, low fat dairy spreads, spreadable fruit, spreads consisting wholly or principally of dairy products, spreads derived from milk, spreads made from buttermilk, spreads made from dairy products, sweet spreads (jams); curds and fruit preserves.</p> <p><u>Class 30</u> Ground and whole bean coffee; cocoa; herbal tea (other than for medicinal use); non-herbal tea; coffee, tea, cocoa and espresso</p>

		<p>beverages, and beverages made with a base of coffee and/or espresso; beverages made with a base of tea; powdered chocolate and vanilla; sauces to add to beverages; chocolate syrup; flavorings in the form of syrups for beverages; baked confectionery including muffins, scones, biscuits, cookies, pastries and breads; sandwiches; granola; ready-to-drink coffee; ready-to-drink tea; ice cream and frozen confections; chocolate, candy and confections; chocolate spreads for use on bread, sandwich spreads made from chocolate and nuts, spreads consisting of hazelnut paste, spreads made from chocolate and nuts, sweet spreads (honey), yeast extracts as spreads.</p> <p>*Multi-class registration in Classes 5, 7, 9, 11, 16, 21, 25, 29, 30, 32, 35, 36, 41, and 43.</p>
T1100009E		<p><u>Class 29</u> Milk, flavored milk, milkshakes and milk based beverages; fruit jams, fruit sauces, jellies, cheese spreads, crab spreads, dairy spreads, food spreads being a blend of edible oils and edible fats, food spreads consisting principally of edible fats, food spreads consisting principally of edible oils, food spreads consisting principally of vegetables for sandwiches, fruit spreads, lemon spreads, low fat dairy spreads, spreadable fruit, spreads consisting wholly or principally of dairy products, spreads derived from milk, spreads made from buttermilk, spreads made from dairy products, sweet spreads (jams); curds and fruit preserves.</p> <p><u>Class 30</u> Ground and whole bean coffee; cocoa; herbal tea (other than for</p>

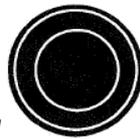
		<p>medicinal use); non-herbal tea; coffee, tea, cocoa and espresso beverages, and beverages made with a base of coffee and/or espresso; beverages made with a base of tea; powdered chocolate and vanilla; sauces to add to beverages; chocolate syrup; flavorings in the form of syrups for beverages; baked confectionery including muffins, scones, biscuits, cookies, pastries and breads; sandwiches; granola; ready-to-drink coffee; ready-to-drink tea; ice cream and frozen confections; chocolate, candy and confections; chocolate spreads for use on bread, sandwich spreads made from chocolate and nuts, spreads consisting of hazelnut paste, spreads made from chocolate and nuts, sweet spreads (honey), yeast extracts as spreads.</p> <p>*Multi-class registration in Classes 5, 7, 9, 11, 16, 21, 25, 29, 30, 32, 35, 36, 41, and 43.</p>
T0909611J		<p><u>Class 30</u> Ground and whole bean coffee, cocoa, herbal tea (other than for medicinal use); non-herbal tea, coffee, tea, cocoa and espresso beverages, and beverages made with a base of coffee and/or espresso, beverages made with a base of tea, powdered chocolate and vanilla; sauces to add to beverages; chocolate syrup, flavoring syrups to add to beverages, baked goods namely muffins, scones, biscuits, cookies, pastries and breads, sandwiches, snack bars containing a mixture of grains, cereals, nuts and dried fruit (confectionery), ready-to-drink coffee, ready-to-drink tea, ice cream and frozen confections; chocolate, candy and confections.</p>

		*Multi-class registration in Classes 30 and 43.
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14 I shall briefly outline the Opponent's evidence in these proceedings.

15 The Opponent boasts an impressive global footprint, from its first location in Seattle, USA in 1971; to 677 locations in the USA in 1995; to 17,000 locations worldwide in 2011.⁷ Estimated worldwide revenue was USD16.4 billion in 2014 with an estimated USD315.5 million in advertising and promotional expenditure.⁸ Estimated Singapore revenue was SGD134 million in 2014 with an estimated SGD1.25 million in advertising and promotional expenditure.⁹ These are impressive figures.

16 The Opponent has adduced much evidence of the fame which it enjoys in its "mermaid" device and/or the word "STARBUCKS" as at the date of application of the Application Mark, including extensive coverage in terms of its trade mark registrations around the world.¹⁰ The "STARBUCKS" brand has also been recognised by *Interbrand* as one of the 100 most valuable brands in the world.¹¹ The Opponent also asserted that



its "*Concentric Circles Device*", depicted as "  ", is (in itself) a distinctive and striking feature of the Opponent's Marks.¹² (This device element was referred to by the Opponent as the "Concentric Circle Device", but for clarity, I shall refer to "circles" in the plural instead of the singular since "concentricity" entails more than one circle). However, I observe that all of the trade mark registrations which the Opponent has adduced include the word "STARBUCKS" and/or the "mermaid" device, and not its "Concentric Circles Device" *on its own*.

17 The Opponent's products include ready-to-drink coffee-based beverages sold in grocery stores and convenience outlets, as well as coffee-based beverages sold within its own coffee houses/outlets where the beverages are made and served hot or cold on location.¹³

18 The Opponent has made much of its link with Seattle, USA, as its birthplace and the place where its corporate headquarters remains to this day.¹⁴

19 The Opponent submits that Mt Rainier is a landmark "in the vicinity of Seattle" and is associated with Seattle. For example, Mt Rainer is often included "as part of the iconic skyline of Seattle".¹⁵ The Opponent has also highlighted Seattle's "coffee culture", Seattle's recognition as "a world center for coffee roasting and coffee supply chain management", as well as its recognition as "the birthplace of Starbucks".¹⁶

⁷ Opponent's SD at [3].

⁸ Opponent's SD at [17]-[19].

⁹ Opponent's SD at [13]-[16].

¹⁰ Opponent's SD at [7].

¹¹ Opponent's SD at [25].

¹² Opponent's SD at [9]-[10].

¹³ Opponent's SD at [27]-[29].

¹⁴ Opponent's SD at [35]; Opponent's SDR at [5]-[8].

¹⁵ Opponent's SD at [35], [47].

¹⁶ Opponent's SD at [35], [48].

MAIN DECISION

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

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

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

...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public.

Decision on Section 8(2)(b)

21 The law on Section 8(2)(b) is well-settled in Singapore. The Court of Appeal has reaffirmed the *step-by-step approach* in *Staywell Hospitality Group v Starwood Hotels & Resorts Worldwide* [2014] 1 SLR 911 ("*Staywell*"). This approach may be summarised thus: The first element is to assess whether the respective marks are similar. The second element is to assess whether the goods or services for which registration is sought are identical or similar to those for which the earlier trade mark is protected. The third element is to consider whether there exists a likelihood of confusion because of the first two elements.

22 The court in *Staywell* also made it clear that the first two elements are assessed individually before the final element which is assessed in the round. An appropriate application of the step-by-step approach necessitates that the court reach a meaningful conclusion at each stage of the inquiry. If, for any one step, the answer is in the negative, the inquiry ends and this ground of opposition will fail. If the first two elements are met, then the issue of the likelihood of confusion arises and the tribunal or court is directed to look at (a) *how* similar the marks are; (b) *how* similar the goods or services are; and (c) given this, how likely it is that the relevant segment of the public will be confused.

Whether the marks are similar

23 The following general principles from *Staywell* are also helpful in assessing the similarity/dissimilarity of the marks and I have taken them into account:

- (a) The three aspects of similarity (i.e. visual, aural and conceptual similarities) are meant to guide my inquiry. There is no requirement that all three aspects must be established before the marks can be found to be similar. Trade-offs can occur between these three aspects. However, at this stage of the step-by-step approach, I am not to consider the relative weight and importance of each aspect of similarity having regard to the goods or services, because that is a matter for the confusion stage of the inquiry. Ultimately, these three aspects are but signposts to assist me and I must come to a conclusion whether the marks when observed in their totality are similar rather than

dissimilar. This question is inevitably a matter of impression rather than one that can be resolved as a quantitative or mechanistic exercise.

- (b) The assessment is mark-for-mark, without consideration of any external matter (*Staywell* at [20]). This means that I should consider the marks as they stand on the face of the Register without being influenced for example by how the marks are actually used in the marketplace, on packaging, how the goods reach the consumer, and so on.
- (c) Mark-for-mark, however, does not mean side-by-side. *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 ("*Hai Tong*") cautions that the marks should not be compared side by side and examined in detail for the sake of isolating particular points of difference; rather, the court or tribunal is to have regard to the general overall impression that will likely be left behind on the average consumer bearing in mind that the average consumer has imperfect recollection. The average consumer will often be making the comparison from memory removed in time and space from the marks.
- (d) That said, although I am assessing the similarity/dissimilarity of the marks based on their respective overall impressions as composite wholes, I am entitled to bear in mind the prominent or dominant components within each mark because those components may be more likely to stand out in the average consumer's imperfect recollection. Therefore, if there are such prominent or dominant components within the mark, I am entitled to accord more weight or significance to those components in my overall assessment of the similarity/dissimilarity of the marks.

24 I also bear in mind the principle that where there is a common denominator between the marks, it is important for me to consider the differences between the marks to decide whether, notwithstanding the point of similarity by virtue of the common denominator, the Application Mark has been able to distinguish itself sufficiently and substantially. (*Polo/Lauren Co, LP v Shop in Department Store Pte Ltd* [2005] 4 SLR(R) 816, affirmed by the Court of Appeal in *Ceramiche Caesar v Caesarstone Sdot-Yam Ltd* [2017] SGCA 30).

25 Strictly speaking, given that there are eight different 'earlier trade marks', I would be required to compare *each* mark individually against the Application Mark. Putting aside for now the goods claimed by each of these earlier trade marks, for the purpose of assessing mark-similarity, I can reduce the eight 'earlier trade marks' to *four* variants of the Opponent's Marks, some of which are depicted in both colour and black and white. These variants are as follows:





26 Although the Opponent pleaded its case based on these eight different 'earlier trade marks' which it collectively defined as the "Opponent's Marks", it has relied principally on variant (A) for the purposes of the comparison of marks. We note that the Opponent's Marks, save for variant (D) above, share the following common features, namely, their Concentric Circles Device, the mermaid device and the word "STARBUCKS".

27 Accordingly, in my decision on the comparison of marks, I shall concentrate on the comparison between variant (A) and the Application Mark only. For the sake of clarity, references to the Opponent's Marks in this context shall refer to variant (A). That said, I hold that the Opponent would fare no better in this regard even if I were to rely on any of the other variants of the Opponent's Marks for purposes of this comparison exercise.

The visual aspect

28 For ease of reference, the marks are as follows:-

Opponent's Marks

Application Mark



v.

or



(limited to the colour shown)

29 The thrust of the Opponent's case on this issue rests upon the prospective use of a similar colour combination of green, white, and black, and the overall textual and figurative "layout" of the Application Mark within concentric circles.

Colours

30 I note that the Application Mark is applied for in black and white and not in colour. In its submissions, the Opponent argued that, as the Application Mark is in black and white, I should take into account the *full range of colours to which the Applicant may put its mark* and compare it to the Opponent's Marks. The Opponent submitted that "a mark registered in black and white is registered in respect of all colours", and therefore visual similarity is "even more apparent when one recognizes that both parties' marks ... could potentially be used in identical colour schemes".¹⁷

31 Insofar as the Opponent is suggesting that I have regard to the fact that the Applicant's *actual manner of use* may involve an identical colour scheme, I am of the view that such matters delve into the realm of "extraneous matter", which I should not consider at this stage of my analysis (*Staywell*, at [20]).

32 I appreciate the point that although the Application Mark is depicted in black and white, it would, *if registration was allowed*, permit the Applicant to use that mark in an identical colour scheme as the Opponent's Marks, in the sense that the use in such a colour scheme would still be considered use of the Application Mark – both as a defence to a non-use challenge as well as a defence to infringement.

33 As such, if the Applicant claims a black and white depiction, then I should be entitled to have regard to the fact that the "fair and notional" use of the Application Mark could *extend to all colours including identical colours*. The Applicant's intended scope under the Application Mark is wider than, for example, a coloured representation limited to those specific colours, as is the case with the Opponent's trade mark



registration no. T0516238J for "  ".

34 While I am cognizant of the UK authorities cited to me by the Opponent¹⁸ in support of its position, I am also mindful of the differences in Singapore's formulation of the relevant test for Section 8(2)(b) under *Staywell* – which post-dates both *Esure* and *Specsavers*. Singapore adopts a *step-by-step* approach rather than a "global appreciation" approach. Under the global appreciation approach, the elements of similarity between marks and goods/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. Moreover, in *Staywell's* formulation, there are factors which are permissible in the confusion stage of the inquiry, but also factors which are impermissible (*Staywell*, at [95]). Thus the Court of Appeal in *Staywell* recognised (at [15]) that:

¹⁷ Opponent's Written Submissions at [79] and [82].

¹⁸ *Specsavers International Healthcare Ltd v Asda Stores* [2012] EWCA Civ 24 ("*Specsavers*"); *Esure Insurance Ltd v Direct Line Insurance Plc* [2008] RPC 6 ("*Esure*").

[O]ur courts have given effect to this [section 8(2)(b)] 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*").

(my emphasis)

35 Professor Ng-Loy Wee Loon¹⁹ has also commented on the divergence between the Singapore approach and the UK approach. In the learned author's exposition on mark-similarity, she noted (at [21.5.18]) that the (Singapore) tribunal "*is not compelled to conclude that the marks are similar when there is only a modicum of similarity between the marks in one of these three aspects*". The learned author was noting the fact that the three aspects of mark-similarity (*viz.* visual, aural and conceptual) were merely signposts to guide the tribunal. The learned author then makes this comment (at [21.5.18], footnote 151):

Contrast with the approach taken in the U.K. where it has been held that there is no minimum threshold of similarity that the marks must cross, and that so long as there is *some* similarity, the tribunal must proceed with the rest of the inquiry: *esure Insurance Ltd v Direct Line Insurance Plc Inc* [2008] ETMR77 at [49].

(my emphasis)

36 Therefore, as a matter of conceptual clarity, and according to the principles set forth in *Staywell*, the appropriate point at which I should have regard to the "fair and notional" use of the Application Mark *is at the confusion stage, and not the mark-similarity stage, of the step-by-step inquiry*.

37 Having regard to the principles which I am bound to apply *at the mark-similarity stage*, I am of the view that where the Application Mark is depicted in black and white, colour is *not* a factor which influences the mark-similarity assessment *either way*; it neither adds to, nor detracts from, the similarity between the marks.

38 Our situation is different from one where the competing marks are *both* in colour; in that situation, it appears that colour is indeed a relevant consideration in assessing visual similarity: for example, the Principal Assistant Registrar ("PAR") in *Appitude Pte Ltd v MGG Software Pte Ltd* [2016] SGIPOS 15 had regard to the fact that *both* the Application Mark and the earlier trade mark were in colour; in that case the learned PAR found that the *differences* in colour pointed towards the marks being different (at [27]).

39 However, if I am wrong in my view, and were I to assume that I was comparing the Opponent's Marks in their green, black and white colour combination against the Application Mark *in the same colour combination*, I would still be of the view that the identical/similar colour combination *in itself* is insufficient to lead to an overall finding of visual similarity, for the similarity in colour combination *is clearly outweighed* by the points of *dissimilarity*, as I shall elaborate below.

¹⁹ Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore* (Sweet & Maxwell, 2nd Ed, 2014).

Layout

40 In terms of layout, the Opponent has alleged that the Application Mark is similar to the Opponent's Marks as the Application Mark incorporates the following features: (i) a concentric circles layout; (ii) a pictorial device in the innermost circle; (iii) the Applicant's brand name in curved lettering at the top of the concentric circle; (iv) a descriptive phrase in curved lettering at the bottom of the concentric circle; and (v) the proportions of the textual elements and pictorial device in the marks are identical.²⁰

41 In my view, (ii) and (iii) are precisely the elements which serve to distinguish the Application Mark from the Opponent's Marks (and I will turn to this shortly). I understand that the Opponent's point relates to the *layout* and arrangement of the respective marks.

42 The Opponent argues that the Application Mark "incorporates an almost identical concentric circle device which is confusingly similar to the Opponent's Concentric Circle Device".²¹ In this regard, I agree with the Applicant that the Opponent's Concentric Circles Device *per se* is *de minimis* and is of negligible significance.²² It is a very simple device which is reduced to being part of the background and cannot on any count be considered to be a dominant feature of the Opponent's Marks. A device that is simple and does not evoke any particular concept for the average consumer will not be a dominant feature of a sign: *Hai Tong* at [62].

43 I am also not persuaded that the alleged similarity in colour and layout – *even if it were so* – would render the Opponent's Marks and the Application Mark similar overall in their respective composite wholes. This is because, in my assessment, the features of colour and "layout" of the marks are outweighed by the stronger and more dominant textual and figurative elements in each mark.

44 The Application Mark comprises the word element "Mt. RAINIER" which is the most prominent textual feature. This is complemented by the prominent figurative element of a mountain. Below these are additional textual elements of lesser prominence, namely, the phrases "THE MOUNTAIN OF SEATTLE" and "ESPRESSO & MILK".

45 The textual and figurative elements in the Opponent's Marks are "STARBUCKS", "COFFEE" and a lady/mermaid device.

46 In my view, it is the textual and figurative elements that constitute the dominant and distinctive elements in the respective marks, and these respective elements are completely different from each other.

47 The outstanding and dominant components of the Application Mark are:

- (a) the words "Mt. RAINIER" in bold type face and in a large size sitting at the top of the mark in curved manner which frames the mountain device; and

²⁰ Opponent's Written Submissions at [76].

²¹ Opponent's SD at [32].

²² Applicant's Written Submissions at [28].

- (b) the mountain device which is significant and large, occupying the middle of the mark.

48 These components are supplemented by: (i) the words "THE MOUNTAIN OF SEATTLE" which appear in much smaller size below the mountain device; and (ii) the words "ESPRESSO & MILK" which are descriptive.

49 In contrast, the outstanding and dominant features in the Opponent's Marks are the word "STARBUCKS" and the mermaid device. These features distinguish the Application Mark sufficiently and substantially from the Opponent's Marks. In my view, the competing marks are clearly dissimilar from a visual perspective.

50 In the IPOS decision of *Pets Global Pte Ltd v B2K Pet Products Pte Ltd* [2016] SGIPOS 3, the PAR agreed that despite use of a black background, white cursive font in the text, the depiction of a signboard as well as the use of the word "premium" or "superpremium" in gold, the text of "Kit Cat" and "Fussie Cat" were the dominant and distinctive components of the respective marks taking into account size, positioning and inherent technical distinctiveness, as well as the differences in the textual elements. Likewise, here, I am unable to agree with the Opponent that the overall layout *per se* points towards visual similarity.

51 I find that the overall layout and colour scheme, taking into account all the Opponent's contentions above, do not *in and of themselves* render the marks similar, given that such similarity, if any, is sufficiently and substantially outweighed by the dissimilar elements in each mark. The Federal Court of Australia put it eloquently in *Renaud Cointreau & Cie v Cordon Bleu International Ltee* (2001) 52 IPR 382 where the court considered the effect of the cursive script font of the application mark "*cordons bleu*". The court observed (at [68]):

However, in our view, it is artificial to consider the cursive script separately from the words which give it substance. The script can only exist relevantly in the form of the words or device from which it is expressed. It is the words "*cordons bleu*" as they are embodied in the script which will form part of the likely recollection and not some abstract concept of disembodied cursive script.

52 Transposing these observations into our present case, it is the overall textual and figurative elements of the Opponent's Marks and the Application Mark in their respective wholes which "give them substance". The aspects of colour and layout only exist relevantly in the form of the overall composite nature of the respective marks, from which these aspects (i.e. colour and layout) are expressed. It is not the colour scheme *per se*, or the abstract concept of a concentric circles layout, which are likely to assume significance in the recollection of the average consumer, but rather the respective textual and figurative elements themselves which constitute the dominant components in the respective marks.

The aural aspect

53 The Court of Appeal in *Staywell* (at [31]-[32]) discussed the two main approaches to assessing aural similarity. One approach is to consider the dominant

components of the mark in assessing the question of whether the competing marks as a whole were similar. Another approach is to undertake a quantitative assessment as to whether the competing marks have more syllables in common than not.

54 I agree with the Applicant that the key textual component of the Application Mark consists of the words "Mt. Rainier", whereas the key textual component of the Opponent's Marks is "Starbucks" or "Starbucks Coffee". Regardless of the approach adopted, it is clear to me that these components are dissimilar.

55 Accordingly, I find that the Application Mark and the Opponent's Marks are clearly dissimilar from an aural perspective.

The conceptual aspect

56 The conceptual analysis seeks to uncover the ideas that lie behind and inform the understanding of the mark as a whole: *Staywell at* [35]. It must also be remembered that the idea must manifest in the look and feel of the mark, and not in something that is known only to its creator as noted by the High Court in *The Audience Motivation Company Pte Ltd v AMC Live Group China (S) Pte Ltd* [2016] 3 SLR 517 ("AMC").

57 I find that the Application Mark is conceptually evocative of a mountain. That is the impression created by the figurative depiction of a mountain. This concept is reinforced and given further effect by identifying the mountain as "Mt. Rainier" and by the further explanation that it is "the mountain of Seattle". These elements point in unison to the concept of a mountain.

58 The Opponent's Marks have perhaps a somewhat more nuanced conceptual impression. Here again I remind myself that my analysis concerns variant (A). The lady/mermaid device evokes precisely that conceptual impression: a mermaid. This could be associated with a maritime, nautical or seafaring concept, but regardless of any such association, the perception remains that of a mermaid, which, in the ordinary context, is a mythical or legendary creature with an upper body of a human and a tail of a fish.

59 The textual element "STARBUCKS" is more difficult to place, in my view, since it is a coined term with no known dictionary meaning. At first blush therefore, it appears to me to be nothing more than an arbitrary term selected by the Opponents to denote its business, its goods and services.

60 One interpretation is that "Starbucks" is conceptually evocative of an old mining town called "Starbo" in the Cascades Range (which includes Mt. Rainier). In fact, the Opponent claims this to be its source of inspiration for the "Starbucks" name.²³ Another interpretation is that it is inspired by the name of the first-mate in the seafaring novel, *Moby-Dick*, in which case the word "Starbucks" reinforces the maritime concept of the Opponent's Marks. Regardless of the actual inspiration behind the Opponent's Marks, what is important is "the impression of the average consumer" (*Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618, "*Rovio*", at [86], where Justice George Wei explicitly agreed with the PAR's Grounds of Decision at [65]).

²³ Opponent's SDR at [8].

61 The Opponent further argues that the conceptual similarity arises from the reference made to Seattle in the Application Mark, the city which is "widely known in popular culture as the birthplace of Starbucks coffee and the location of the Opponent's headquarters".²⁴ I agree with the Applicant that such a consideration extends into the realm of extraneous matter which should not feature in the "mark for mark" comparison under *Staywell*. Furthermore, even if the Applicant was "inspired" by Seattle's coffee culture, or by the fact that Seattle is the birthplace of Starbucks, this has no real bearing if the marks are first and foremost, dissimilar. In this regard, it is instructive to remember the purpose of trade mark law, as expressed by the honourable Justice Wei in *Rovio* at [102]. He said, "[T]rade mark law does not have as one of its goals the objective of stopping competition *simply* on the basis that the competitor's trade mark was inspired by the trade mark proprietor's trade mark, branding or marketing. In the present case, the Opponent must still prove that the relevant marks are *similar*."

62 The Opponent also directed my attention to comments by members of the public on the similarity between the Application Mark and the Opponent's Marks.²⁵ However, adopting the guidelines in *Staywell*, I should not have regard to such "extraneous matter" at this stage of the enquiry.

63 Taking the Opponent's Marks as a whole and based on what is expressed therein, I am not persuaded that they bear a conceptual impression of Mt. Rainier, or Seattle for that matter. Again, I am guided by the fact that my reference point is not that of a brand historian; nor should I determine conceptual impression based on the Opponent's own intention or motivation behind the adoption of the "Starbucks" name. My reference point is that of the average consumer's impression *based on what is apparent* in the look and feel of the Opponent's Marks.

64 To my mind, it is not at all apparent that the average consumer would necessarily make these conceptual connections; in my view, it is likely that the average consumer would not have been familiar with the word "Starbucks" apart from its adoption by the Opponent as a corporate name, in which case the "Starbucks" word would have no real conceptual meaning apart from being associated with the Opponent. As such, the conceptual impression of the Opponent's Marks, if any, is influenced largely by its distinctive mermaid device which, can be said to be evocative of a nautical or mythical concept. However, neither of these are similar to a mountain concept.

65 Overall, I am of the view that the marks are, as a whole, more dissimilar than similar from a conceptual perspective.

Conclusion on similarity/dissimilarity of the marks

66 I have found that the marks are clearly dissimilar visually and even more so aurally. I am also not persuaded that there is conceptual similarity. Having weighed up carefully all three aspects of mark-similarity, I find the Application Mark as a whole to be clearly dissimilar to the Opponent's Marks.

²⁴ Opponent's SD at [35].

²⁵ Opponent's SD at [36] to [38].

67 Accordingly, the ground of opposition under Section 8(2)(b) fails at the first step of mark-similarity. It is therefore unnecessary for me to consider the second and third elements in the step-by-step approach.

Similarity of goods and likelihood of confusion

68 Given my finding above on the clear dissimilarity between the marks, I echo the sentiments of the learned IP Adjudicator in ***Beats Electronics, LLC v LG Electronics Inc.*** [2016] SGIPOS 8 where he said at [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.

69 The learned IP Adjudicator's words above express my sentiments perfectly and accordingly, in similar fashion, I do not consider it necessary to proceed further with the three-step enquiry. .

Conclusion on Section 8(2)(b)

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

Ground of Opposition under Section 8(4)(b)(i), 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B)

71 Section 8(4) 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 –

(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;

(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.

72 Before I turn to consider the various heads of opposition under Section 8(4), there is a common element which needs to be established for all of these heads of opposition: that is, the requirement that "*the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark*".

73 At the hearing, it was forcefully submitted by the Opponent that the test for mark-similarity under Section 8(4) ought to be different from that under Section 8(2)(b), by reason of the different wording in that regard. Whereas Section 8(2)(b) speaks merely of the Application Mark being "*similar to an earlier trade mark*", Section 8(4) speaks of *the whole or an essential part* of the Application Mark being identical with or similar to the earlier trade mark. The Opponent argues that by virtue of the difference in wording, the mark-similarity requirement under Section 8(4) is a low one. At the hearing, the Opponent ventured to suggest that the applicable test in assessing mark-similarity under Section 8(4) should be the global assessment test, or at the very least, a test that is of a lower threshold than the step-by-step approach established in relation to Section 8(2)(b). The Opponent further argues that it would suffice if the "essential part" of the Application Mark is similar to the Opponent's Marks, which in this case, would refer to the colour scheme and overall impression. The Opponent has not however, provided any judicial authority in support of this argument.

74 This difference in wording between Section 8(2)(b) and Section 8(4) was addressed by Justice George Wei in *Rovio*. Justice Wei considered the Court of Appeal's holding in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") where the court considered Section 55(2) of the Act which adopts the words "essential part", comparing it to Section 27(2)(b) which does not. Justice Wei noted that the Court of Appeal in *Sarika* found that the difference in wording between Section 55(2) and Section 27(2)(b) made no difference to the mark-similarity analysis under each of those provisions.

75 In a similar vein, Justice Wei held that the difference in wording between Section 8(4) and Section 8(2)(b) did not cause the mark-similarity analysis under the former to differ from the latter. Justice Wei attributed the difference in statutory wording to the legislative history of the provisions rather than any parliamentary intention to create different mark-similarity tests for each provision. Justice Wei explained (at [146]):

While *Sarika* was concerned with different provisions in the TMA, I am similarly of the view that little turns on the reference to "essential part" in s 8(4). After all, even under s 8(2)(b) where the phrase "essential part" does not appear, it is clear that the court in making the mark for mark comparison is entitled (where relevant) to take into account the dominant features of the trade mark. Indeed, I agree with *Sarika* that the difference

in statutory wording can be explained by the legislative history of the provision, rather than by any deliberate policy intention on Parliament's part. Section 8(4) was introduced into the TMA in 2004. The 2004 amendments as a whole were intended to ensure compliance with Singapore's obligations under the US-Singapore Free Trade Agreement ("US-Singapore FTA"). The US-Singapore FTA required compliance with the provisions on well known marks in Art 6 of the Paris Convention for the Protection of Industrial Property (1967) (see Article 16.2, para 4). Under Art 4 of the World Intellectual Property Organisation's ("WIPO") Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks (1999), "a mark shall be deemed to be in conflict with a well-known mark where that mark or an essential part thereof, constitutes a reproduction, an imitation... of the well-known mark." Thus, it seems that Parliament imported the WIPO definition to ensure compliance with its international obligations, without deliberately intending to create any difference between the similarity of marks comparison in s 8(2)(b) and s 8(4) of the TMA.

76 I agree with this analysis. On the authority of *Rovio*, which was also followed in *Apple Inc v Xiaomi Singapore Pte Ltd* [2017] SGIPOS 10 (at [129]), I am bound to apply the same mark-similarity analysis under Section 8(2)(b) for the purpose of assessing mark-similarity under Section 8(4). Applying the same test as that applicable to Section 8(2)(b), I find therefore that there is no requisite similarity between the Opponent's Marks and "*the whole or an essential part of*" the Application Mark.

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

77 The conjunctive elements of Section 8(4)(b)(i) are:

- (i) The whole or an essential part of the Application Mark is identical with or similar to the Opponent's Marks.
- (ii) The Opponent's Marks are well known in Singapore.
- (iii) The "connection" requirement: the Court of Appeal in *Staywell* confirms the analysis in *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 ("*Amanresorts*") that this "connection" requirement will be satisfied where there is a likelihood of confusion.
- (iv) A likelihood of damage.

78 As I have found that there is no requisite similarity between the Opponent's Marks and "*the whole or an essential part of*" the Application Mark, it is not necessary for me to decide on the other three elements.

79 For the sake of argument, *even if* I were prepared to accept that the Opponent's Marks are well known in Singapore: based on the pleadings and the evidence before me, the essence of *well known-ness* resides in the depiction of the Opponent's Marks as a whole which specifically includes the textual ("STARBUCKS") element and/or the pictorial (mermaid) element. I am not persuaded that its Concentric Circles Device and/or an abstract layout of the Opponent's Marks, whether in their specific colours or otherwise, qualifies as a well known mark in Singapore.

80 The Opponent submitted voluminous evidence to attest to the "well known-ness" of the Opponent's Marks in Singapore, dating back to when its first store opened in Singapore on 14 December 1996.²⁶

81 However, even if I find that the second element (i.e. well known-ness) is satisfied, there is no similarity between "*the whole or an essential part of*" the Application Mark and what the Opponent can establish as its 'well known mark'.

82 The *absence* of mark-similarity means that one of the critical elements necessary for a confusing connection to be established is lacking; and if there is no confusing connection, there cannot logically be a likelihood of damage.

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

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

Decision on Section 8(4)(b)(ii)(A) and (B)

84 Once again, the mark-similarity requirement is an essential element which is central to all heads of opposition under Section 8(4). In light of my finding that there is no requisite similarity between the Opponent's Marks and "*the whole or an essential part of*" the Application Mark, these heads of opposition must necessarily fail.

85 It is therefore not necessary for me to decide on the other requirements under these heads of opposition.

86 In any event, I am not persuaded that the use of the Application Mark can be said to cause dilution in an unfair manner *of the distinctive character* of the Opponent's Marks, or take unfair advantage *of the distinctive character* of the Opponent's Marks. In my view the distinctive character of the Opponent's Marks resides in its distinctive mermaid device and/or the "STARBUCKS" word element. The Opponent adduced no evidence before me to suggest that the distinctive character resides in its Concentric Circles Device and/or an abstract layout of the Opponent's Marks, whether in their specific colours or otherwise *simpliciter*.

Conclusion on Sections 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B)

87 The grounds of opposition under Sections 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B) therefore fail.

Ground of Opposition under Section 8(7)(a): passing off

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

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

²⁶ Opponent's SD at [12]-[16], [23]-[29], and Exhibits relating thereto.

(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)

89 It is trite law that there are three elements known as the "classical trinity" in the tort of passing off: Goodwill, Misrepresentation, and Damage. Before turning to each of these elements in turn, I make some preliminary points which will guide my inquiry under this ground of opposition.

90 What is protected in a passing off action is not the Opponent's Marks *per se*, but rather the Opponent's goodwill, often generated through the use of a particular mark, or other indicia, in the course of trade, under which the Opponent has developed its relationship with its customers. In the words of the Court of Appeal in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] 4 SLR 86 ("*Singsung*") at [33]: "*the tort of passing off protects a trader's relationship with his customers*".

91 As Professor Ng-Loy Wee Loon states in *Law of Intellectual Property of Singapore* (at [17.2.10]):

The action for passing off is no longer anchored, as in its early 19th century formulation, to the name or trade mark of a product or business and, hence, it is wide enough to encompass materials such as slogans and advertising themes. The real issue is not what type of indicia is employed by the plaintiff to market his goods or services, but whether the relevant public associates the indicia exclusively with the plaintiff's goods or services.

(my emphasis)

92 Identifying the Opponent's *distinctive indicia* by which it is exclusively associated is a question I shall return to in my analysis of the element of misrepresentation below.

93 I also find Justice George Wei's comments in *Rovio* helpful in setting the stage for considering an opposition under Section 8(7)(a). Justice Wei said (at [159]-[160]):

Opposition based on s 8(7)(a) of the TMA is based on the assertion of a private right (protected by the law of tort) which existed prior to the date of application for registration (or the priority date). However, in the context of trade mark opposition proceedings, a court is generally hampered in evaluating the potential success of any passing off action. For one, the mark may not even have been used by the trader yet. The decision is based on a notional action for passing off. Second, the court may have relatively few facts and evidence before it on which it has to make a decision as to whether the notional passing off action will succeed. It is in this context, that I now consider what is the appropriate threshold of proof an opponent must meet before succeeding under s 8(7)(a) of the TMA.

It is fairly well established that in evaluating opposition to trade mark registration under s 8(7)(a) of the TMA, the court considers whether the

normal and fair use of the applicant mark in respect of the goods or services for which the mark is sought to be registered would result in passing off: Tan Tee Jim, *Law of Trade Marks and Passing Off in Singapore*, vol 1 (Sweet & Maxwell, 3rd Ed, 2014) (“Tan Tee Jim”) at para 8.159 and James Mellor et al, *Kerly’s Law of Trade Marks and Trade Names* (Sweet & Maxwell, 15th Ed, 2011) (“*Kerly’s on Trade Marks*”) at para 9–147. Thus, s 8(7)(a) effectively requires the court to consider the position of the opponent in a notional passing off action.

94 Justice Wei then went on to conclude (at [164]-[165]):

... [T]he opponent must still persuade the court that on the materials before it, there is at least a *prima facie* case that a passing off claim would be successful if, at the time of the application, the applicant mark were to be used in a normal and fair manner in respect of the goods or services for which the mark is sought to be registered. Indeed, it may be preferable to just use the words of the statutory provision: has the Opponent established that the use is “liable to be prevented” by passing off? In other words that the Opponent had proved a case of passing-off in the notional passing-off action.

...

To this end, it is incumbent on an opponent to adduce evidence on, inter alia, (i) the nature and extent of the goodwill and reputation relied on, (ii) the closeness or otherwise of the respective fields of activity, (iii) the similarity of the marks, (iv) the manner in which the applicant has used the mark (if any), (v) the manner in which the particular trade is carried out, (vi) the class of persons whom the applicant mark is likely to be deceived, and (vii) the likely damage the opponent would suffer.

95 In other words, the ground of opposition under Section 8(7)(a) requires that I assess the position of the Opponent in a *notional* passing off action, which is based on facts and evidence typically far less extensive than that adduced in an *actual* passing off action, and especially since in the present case, based on the evidence before me, I have not been made aware of any *actual use of the Application Mark in Singapore*. This point was not challenged by the Applicant either in written submissions or during the hearing.

96 I must therefore assess whether 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 Application Mark in relation to the goods in respect of which registration is sought, had such an action actually been brought.

97 The relevant date, in relation to which my assessment needs to be made, is 23 October 2013, the date of the application for registration of the Application Mark.

98 The elements required to establish passing off were set out by the Court of Appeal in *Amanresorts* and other significant Court of Appeal decisions which I shall outline briefly below.

Goodwill

99 Goodwill has been famously described as "the attractive force which brings in custom": *The Commissioner of Inland Revenue v Muller & Co's Margarine Limited* [1901] AC 217 at 224. It was recognised in *Amanresorts* (at [39]) that there are two essential features of goodwill, "*the association of a good, service or business on which the plaintiff's mark, name, labelling etc (referred to generically as the plaintiff's "get-up") has been applied with a particular source. Second, this association is an 'attractive force which brings in custom'.*"

100 In *AMC* and *Singsung*, the Court of Appeal stated that, as a matter of "*analytical clarity*" (*AMC* at [82]), the Goodwill inquiry should not be conflated with the Misrepresentation (and consequently, the Damage) inquiry. Goodwill describes the state of the trader's relationship with his customers (*Singsung* at [32]). Goodwill in a passing off action is concerned with goodwill in the (Opponent's) business *as a whole* and not specifically in the constituent elements such as the mark, logo or get-up that the business uses (*Singsung* at [34] and [59]).

101 Having considered the Opponent's evidence, I have no difficulty in finding that, at the relevant date, the Opponent had the requisite goodwill in Singapore to sustain an action for passing off.

Misrepresentation / Confusion

102 The Court of Appeal in *Singsung* (at [70]) stated categorically that there are two further requirements necessary even if it can be shown that the Opponent's goodwill is sufficiently associated with the Opponent's Marks - it is necessary to establish that there was a misrepresentation made by the Applicant in adopting get-up for its products which are strikingly similar or identical to the Opponent's get-up, and that actual confusion or a sufficient likelihood of confusion arose from this. It is incumbent on the Opponent to show that the Applicant's "notional and fair" use of the Application Mark (since there is, before me, no evidence of actual use in Singapore) in respect of the goods for which registration is sought, would amount to a misrepresentation (whether intentional or not) leading or likely to lead the public into believing that those goods are the goods of the Opponent or from a commercially related trade source.

103 In *Singsung*, the Court of Appeal appreciated that "*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*" (at [26]). The Court of Appeal emphasised (at [55]):

The law of passing off endeavours to maintain a balance between the protection of a person's investment in his own product or business, and the protection of free competition. What the tort seeks to prevent is unfair competition brought about through deception or misrepresentation by the defendant as to, amongst other things, the origin of the goods. In such cases, distinctiveness is a crucial facet of the inquiry as to whether misrepresentation or deception in fact occurred, because as long as what is copied is not distinctive of the plaintiff or its goods, the defendant should not be prohibited

from copying these features since no misrepresentation or deception as to origin would result.

(my emphasis)

104 I now address the issue of the Opponent's *distinctive indicia* for the purposes of a passing off action. In *Singsung*, the Court of Appeal explained the relationship between the distinctiveness of the indicia and actionable misrepresentation (at [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) Ld* (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.

(my emphasis)

105 In other words, I must determine what indicia is *distinctive* of the Opponent's goods, and whether the use of the Application Mark, *by reason of its similarity to the Opponent's distinctive indicia*, would amount to a misrepresentation.

106 In its pleadings, the Opponent's case on Section 8(7)(a) rests upon the "Opponent's Marks" as its distinctive indicia, i.e. the trade marks which are depicted as:



107 As I have noted at [15] above, the Opponent has adduced much evidence of the distinctiveness of its "mermaid" device and/or the "STARBUCKS" name as at the date of application of the Application Mark. The Opponent also asserted that its "*Concentric Circles Device*" is (in itself) a distinctive and striking feature of the Opponent's Marks.²⁷ However, no evidence was adduced before me to establish that its "Concentric Circle

²⁷ Opponent's SD at [9]-[10].

Device" in itself is distinctive in the sense that the relevant public would associate this element exclusively with the Opponent's goods.

108 On the contrary, the Applicant in its written submissions, highlighted several trade marks on the Register in Classes 29 and 30 in Singapore all owned by various third parties, all of which contain text and figurative elements within a concentric circles layout.²⁸ There is no evidence before me as to whether these trade marks are, or have been, in use in Singapore; I am also aware that some of them have been abandoned or withdrawn. However, in my view these trade marks do serve to illustrate that the concept of a concentric circles layout is, presumably, something which honest traders may wish to use in connection with goods in Classes 29 and 30, and this lends support to my view that the concentric circles layout of the Opponent's Marks is not in itself exclusive to the Opponent and its goods in Classes 29 and 30.

109 In the same vein, the Opponent has not adduced any evidence to establish that the green, black, and white colour scheme in itself is distinctive of the Opponent, such that the relevant public would associate it with the Opponent or its goods.

110 As such, I am not persuaded that the Opponent's *distinctive indicia* resides in the colour and concentric circles layout of the Opponent's Marks *simpliciter*. The distinctiveness of the Opponent's Marks resides in its depiction as a whole *which includes the textual ("STARBUCKS") element and/or the pictorial (mermaid) element*. It is an over-simplification to say that the competing marks would both "look like green circular marks".²⁹

111 If, or to the extent that, the Application Mark may be said to incorporate indicia comprising a green, black and white colour scheme, along with an abstract layout with words and a picture within concentric circles, this in itself would *not* amount to a misrepresentation because, as the Court of Appeal explained in *Singsung* (at [38]), which I have quoted above, such indicia in and of themselves are not distinctive of the Opponent's goods.

112 Having regard, then, to the Opponent's Marks, I am of the view that the Applicant is not seeking to register something similar thereto. I have already found, in the context of Section 8(2)(b), that the Application Mark and the Opponent's Marks are clearly dissimilar. It necessarily follows that there cannot be any misrepresentation to the public as to trade origin. This finding is sufficient to dispose of the misrepresentation element. Consequently the opposition under Section 8(7)(a) fails.

113 I am mindful of the Court of Appeal's comments in *Singsung* regarding the respondent in that case copying the get-up of the Appellant's goods. The Court of Appeal quoted the Federal Court of Australia's comments in *Sydneywide Distributors Pty Ltd v Red Bull Australia Pty Ltd* [2002] FCAFC 157 ("*Sydneywide Distributors*") (at [84] of the CA's judgment):

Where a trader, having knowledge of a particular market, borrows aspects of a competitor's get-up, it is a reasonable inference that he or she believes that there will be a market benefit in doing so. Often, the obvious

²⁸ Applicant's Written Submissions at [31].

²⁹ Opponent's Written Submissions at [113].

benefit will be the attraction of custom which would otherwise have gone to the competitor.

114 I do not consider that the trajectory of this argument assists the Opponent in these proceedings. In my view, it is clear from the Court of Appeal's reasoning in *Singsung* (at [86]) that it considered that the get-up which the respondent had copied constituted *distinctive indicia* of the appellant. This is not the case here; I do not think it can be said in our present case that the Application Mark copies the distinctive get-up of the Opponent's Marks.

115 For completeness, I will briefly address some additional points.

116 The test for misrepresentation under passing off is substantially the same as that for "likelihood of confusion" under Section 8(2)(b) of the Trade Marks Act, as stated in *Sarika* at [76]-[77]. However, unlike the likelihood of confusion inquiry in the step-by-step approach under Section 8(2)(b), the likelihood of deception in the misrepresentation inquiry under Section 8(7)(a) allows me to consider "*all of the circumstances*" of the case; I am not confined, as it were, to "mark-similarity" factors and "goods-similarity" factors.

117 I am mindful therefore of factors such as the price of the goods, the packaging, and the various channels through which the goods may be sold. For example, it is not inconceivable that the goods might be encountered in the same place on supermarket shelves or in a convenience store, perhaps even in circumstances not so unlike those that presented themselves in *Sydneywide Distributors*, as the Opponent had pointed out in its submissions, referencing evidence of how the goods are in fact sold in stores in Japan.³⁰

118 I am also mindful that having regard to the notional breadth of the goods concerned and the relevant consumer, I should not attribute a high degree of sophistication or extreme fastidiousness and meticulous care in the purchasing decision. On the other hand I also should not set the bar so low as that of a 'moron in a hurry'.

119 I have also had regard to the fact that the parties are in a common field of industry, perhaps even in competition.

120 On balance, however, the point remains that where the marks in question are clearly dissimilar, there cannot be any deception or likelihood of deception under the law of passing off.

121 I have also had regard to the Opponent's assertion of, and reliance on, instances of alleged actual confusion as submitted in its evidence.³¹ For example, the Opponent has highlighted public comments in relation to blog articles:

- (a) "... when I used to live in Japan until last year, I remember getting confused with "Mt. Rainier's" and Starbuck's logo, and thinking it was just my imagination that it may be a copyright infringement" — Comment to a Blog article dated 20 June 2008.

³⁰ Opponent's Written Submissions at [112]-[113].

³¹ Opponent's SD Exhibit 18.

- (b) "I can definitely see a resemblance between the logos and can identify with why Starbucks is going after them... I can definitely see people mixing the two up. Very similar." — Comment to a Blog article dated 20 June 2008.

122 I am of the view that the evidence has to be taken and understood in its proper context.

123 First, I do not doubt that the Opponent has garnered loyal fans who may perhaps be quick to pass judgment or comment on the Application Mark. However, I would not hasten to conclude that this necessarily means that the Applicant has committed an actionable misrepresentation which leads or is likely to lead the public into believing that the Applicant's goods are those of, or commercially related to, the Opponent.

124 Second, my perspective and interpretation of the evidence is this: there may be those who purport to draw a comparison, or to pull together some threads of perceived similarity, between the Application Mark and the Opponent's Marks; yet the very nature and context in which it is done suggests an *awareness* that *these are in fact two different marks* which *do not* emanate from the same or commercially related trade source.

125 Third, even if the evidence indicates some degree of 'initial interest' confusion, that concept is not part of our law (*Staywell* at [116]).

126 I am also mindful of Arnold J's explicit comments in *Diageo North America Inc v InterContinental Brands (ICB) Ltd* [2010] EWHC 17 at [399] to [400] in relation to the instances of apparent confusion evidenced by postings on internet blogs, where he cautioned that "this type of evidence must be treated with considerable caution, since the authors are frequently anonymous or pseudonymous. Even when apparently real names are given, the authors are difficult to trace..." I agree with this proposition, which has been affirmed locally in *Singapore Street Festival v Tan Yueh Han Trading as Scc Square* [2007] SGIPOS 7 at [8]-[9].

127 As such, I should be careful not to place reliance on the *truth* of the statements made – this is in line with the Registry's practice as stated in HMD Circular No. 3/2015 which states:

[T]he Registrar draws a distinction between: (i) copies of published documents and printouts from official websites; and (ii) printouts from other pages on the internet. For the former, the Registrar may, depending on the circumstances, accept the contents of the copies or printouts for the truth of the statements made. However, any printouts from other pages on the internet will not be accepted for the truth of the statements made but only for the fact that such statements have been made.

128 Moreover, I note that there are also contrary views expressed, such as "Mt Rainier have been going for years! Who copied who?"³² And so, in the ultimate analysis, I do not find this evidence compelling in establishing a likelihood of confusion.

³² Opponent's SD Exhibit 18.

129 In the words of Professor Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore* (at [18.3.15]), "(T)he question whether there would be confusion is ultimately a matter to be decided by the judge, and he must not surrender his own independent judgment to any witness testifying that he was (or was not) confused".

130 There is no corroborating evidence before me to establish a likelihood of confusion. In arriving at my conclusion, I have also given due weight to the enhanced reputation which the Opponent enjoys in its "Starbucks" name and in its overall get up (with its distinctive mermaid device) amongst the Singapore public, which "is sufficiently entrenched in the mind of consumers as to dispel any real possibility of confusion with the Application Mark" (*Societe Des Produits Nestle S.A. v Liwayway Marketing Corporation* [2014] SGIPOS 5 at [66]), considering the extent and nature of dissimilarity between the Opponent's Marks and the Application Mark.

Damage

131 I have found that there is no misrepresentation. Therefore, the issue of damage or likelihood of damage to the Opponent's goodwill does not arise.

Conclusion on Section 8(7)(a)

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

Ground of Opposition under Section 7(4)(b)

133 Section 7(4)(b) of the Act reads:

(4) A trade mark shall not be registered if it is —

...

(b) of such a nature as to deceive the public (for instance as to the nature, quality or geographical origin of the goods or service).

Decision on Section 7(4)(b)

Threshold issue: the legal test for deception under Section 7(4)(b)

134 I shall deal first with the relevant test for deception under Section 7(4)(b). No local authorities were adduced to support the interpretation and application of Section 7(4)(b). I was however referred to English jurisprudence which is persuasive given that our Section 7(4)(b) is *in pari materia* with Section 3(3)(b) of the UK 1994 Act (and our provision has remained unchanged despite amendments to our Act since then), and from which I draw guidance.

135 The Opponent relies on the authority of *Swiss Miss Trade Mark* [1998] RPC 889 ("*Swiss Miss*") and strongly asserts that deception is a "modest" test to be satisfied. It is sufficient, so the Opponent contends, if ordinary members of the public are "caused to wonder".³³

³³ Opponent's Written Submissions at [8]-[23].

136 I note that language to similar effect ("caused to wonder") appears in the IPOS Trade Marks Work Manual, Chapter 12 (Deceptive Marks), Version 2 (January 2015) ("IPOS Work Manual on Deceptive Marks"). At the same time, it is important to highlight that the IPOS Work Manual on Deceptive Marks also embraces language to the effect that "*there must be a real potential of the buying public being deceived*", and that "*if there is no realistic possibility of deception, the objection need not be raised*".

137 Given the Opponent's exhortation that I should follow the test in *Swiss Miss*, I shall devote some attention to that case. The deception provision – as it then was in *Swiss Miss* – was Section 11 of the UK Trade Marks Act 1938. Section 11 was an amalgamation, as it were, of several limbs: "likely to deceive"; "likely to cause confusion"; "contrary to law or morality"; "any scandalous design".

138 It is clear that in construing the "deception/confusion" element under Section 11 of the UK TMA 1938, the court in *Swiss Miss* was fully aware that the "public deception" test for confusion was not the same as the confusion element for passing off, because the court recognised that Section 11 was designed not so much for the protection of other traders, but for the protection of the public.

139 Thus, even in *Swiss Miss*, the court appreciated the conceptual distinction between *relative grounds confusion* and *absolute grounds deception* to the public. In fact the court in *Swiss Miss* quoted Romer J in *Re Jellinek's Application* (1946) 63 RPC 59 in setting out the applicable test under Section 11, and one should not overlook Romer J's remarks which follow yet another earlier case:

I think that the Court has to be satisfied not merely that there is a possibility of confusion; I think the court must be satisfied that there is a real tangible danger of confusion if the mark which it is sought to register is put on the Register.

(my emphasis)

140 My views are further fortified by *Smirnoff Trade Marks* [2006] RPC 16 ("*Smirnoff*") where M. Knight expressly rejected the contention by the Applicant's counsel that the test under Section 3(3)(b) of the UK 1994 Act was a low one – that it was simply whether a "number of persons are caused to wonder". M. Knight explicitly referenced his earlier decision in *Madgecourt Ltd's Trade Mark Application* [2000] E.T.M.R. 825 ("*Madgecourt*") in which he endorsed Vinelot J's views in *Swiss Miss* that "[t]he question is whether the mark would cause a number of persons, to entertain as a serious and not merely a fanciful possibility, whether the goods had a Swiss origin" (my emphasis). He added:

[46] ...Overall, what is alleged to be misleading must be sufficiently serious and likely to affect the economic behaviour of the public...

[49]...there must be something inherent within the trade mark sufficient to mislead the public to a material extent before a positive finding can be made.

141 The above analysis is consistent with the note on Section 3(3)(b) of the UK 1994 Act in James Mellor et al, *Kerly's Law of Trade Marks and Trade Names* (Sweet &

Maxwell, 15th Ed, 2011) ("*Kerly's on Trade Marks*"), which is beneficial to set out in the whole:

The practice of the UK TM Registry under the 1938 Act was to consider notional use of the mark across the entire specification of goods or services. If there was any possibility of deception, then an objection was raised under s.11. The practice resulted in a large number of objections and consequent limitations on the specifications of goods. This was so, even where there was no realistic possibility of deception but the specification was too wide. The UK Registry has indicated a change in practice, so that under the 1994 Act an objection will only be raised where, in the examiner's view, there is any real possibility of deception of the public. The thinking is that traders will use marks responsibly: if they do use marks deceptively, they will lose the registration under s.47, they will fall foul of trading standards and will lose customers.

(my emphasis)

142 Therefore, in my view, on the authority of *Swiss Miss*, as analysed and applied by the subsequent cases of *Madgecourt* and *Smirnoff*, the applicable threshold for deception under Section 11 of the UK TMA 1938 (as it then was) – and accordingly under Section 7(4)(b) of our Act – is that of a "*real tangible danger*" rather than a "cause to wonder".

Opponent's case as regards the false implication of the Application Mark

143 At the outset, I note that in both its written submissions and at the hearing, the Opponent's arguments on this ground of opposition were canvassed primarily in relation to coffee or coffee beverage products, and also milk or milk products (which the Opponent argued at the hearing ought to be considered in the same way as coffee products), but not in relation to any of the other goods as claimed under the Application Mark, which includes sugar, ice cream, ice candy, and other similar goods.

144 I therefore consider this ground of opposition only in the context of coffee and coffee beverage products. I am mindful that unlike revocation and invalidation actions, the TMA does *not* expressly confer upon the Registrar the power to order that an opposition partially succeed in respect of some but not all of the goods claimed in the Application Mark. This issue was considered in the case of *Christie Manson & Woods Limited v Chritrs Auction Pte Ltd* [2016] SGIPOS 1 (at [102]-[114]). However, like the PAR in that case, I am not required to decide this issue in the present proceedings.

145 In essence, the Opponent's case is that the Application Mark makes a direct reference to Seattle, and as such, the Application Mark implies that the goods originate from the city or region of Seattle, when they in fact do not.³⁴ Indeed, the Applicant adduced no evidence to suggest otherwise.

146 At the hearing, the Opponent framed its case as regards the alleged "false implication" in a broader sense. The Opponent submitted at the hearing that the false implication was that the Applicant's products came from (i.e. originate) *or have some connection to* Seattle, riding on Seattle's reputation as having a world-renowned coffee

³⁴ Opponent's Written Submissions at [36] and [38].

culture, or reputation for producing good coffee products, when the Applicant and/or its goods actually have no connection at all to Seattle or even the USA. Again, the Applicant did not contest this allegation at the hearing; nor did it seek to establish any sort of connection to Seattle, save for the fact that it was inspired by Seattle's coffee-on-the-go culture and drew upon Mt Rainer as a symbol thereof, as it felt that Mt Rainer evoked a "feeling of calm".³⁵

147 Be that as it may, ultimately Section 7(4)(b) is not premised on a "false indication" *simpliciter*, but on a trade mark of such a nature *as to deceive the public*. It is the public deception that lies at the heart of this provision. This resonates with the overall object and purpose behind Section 7(4) as a whole, which Professor Susanna Leong notes is "concerned with marks that are objectionable because they are contrary to public policy or morality" (Susanna Leong, *Intellectual Property Law of Singapore* (Academy Publishing, 2016) at [28.244]).

148 In *Smirnoff* (at [49]), M. Knight strongly directed that "*there must be something inherent within the trade mark sufficient to mislead the public to a material extent before a positive finding can be made*".

149 The central issue is therefore whether the Application Mark is of such a nature as to deceive the public – bearing in mind my finding as regards the applicable legal test for deception.

Public deception

150 It is appropriate that I review some of the cases cited in framing some guidance on the issue of public deception under Section 7(4)(b).

151 In *Smirnoff*, the applicant contended that registration of the proprietor's "SMIRNOFF" trade marks was contrary to Section 3(3)(b) [the equivalent of our Section 7(4)(b)], because the marks misrepresented to the public (or were liable to mislead) that, *inter alia*: (a) the goods (i.e. vodka) were manufactured in the Russian Federation (or some part of the manufacture took place there); (b) they were previously supplied to the Imperial Court of Russia; and (c) they had previously been the subject of numerous awards for quality.

152 The Hearing Officer held that the public was unlikely to be deceived as to the nature, quality or geographic origin of the goods bearing the "SMIRNOFF" trade marks. Having regard to the nature of the branding and promotion of vodka, and the practices of the trade, the Hearing Officer observed that it was common within the trade to promote a Russian connection with the product, regardless of where the goods were in fact produced. The Hearing Officer also considered the characteristics to be ascribed to the relevant consumer, holding (at [46]) that the consumer is "*reasonably observant and circumspect and thus sufficiently alert and sensible such as not to need protection from claims that might only deceive a relatively small number of customers*".

153 In *Madgecourt*, the applicant applied to register the words "MCL PARFUMS DE PARIS" for perfumes and cosmetics, among other things. The opponent, an association

³⁵ Applicant's SD at [7].

of French parfumeurs, sought to prevent registration on a number of grounds, including that the words "PARFUMS DE PARIS" indicated that the goods for which registration was sought were manufactured in Paris or France, and was thus deceptive of the nature or geographical origin of the goods.

154 The applicant in evidence had said that it was prepared to obtain the perfume oil from France, but that it intended to manufacture the finished product in the United Kingdom. The opponent argued that this was not enough; unless the product was manufactured in Paris or by a Parisian company, use of the trade mark would be a false indication of origin. The Hearing Officer eventually held as follows (at [834]), having noted that France and Paris in particular, has a reputation for perfumes:

It seems to me, having regard to the evidence and submissions, that because of the inclusion in the trade mark of the term "Parfums de Paris", there would be an expectation that the perfume and any of the perfumed products, included in the specification would be manufactured in Paris and that if the specification of goods did not reflect that then the trade mark would be deceptive.

(my emphasis)

155 In *Swiss Miss*, a case heavily relied upon by the Opponent, the court held that the mark "SWISS MISS", for chocolate or cocoa drink mixes, would indicate a Swiss origin. One of the Applicant's arguments was that "SWISS MISS" as a whole simply meant a Swiss girl rather than a direct reference to Switzerland. However, the court was prepared to accept that the plain word expression "SWISS MISS" engendered a sufficient reference to Switzerland/Swiss origin.

156 It seems to me that the important features in the court's judgment in *Swiss Miss* (at 896) are these: the court found that there was a "*fairly obvious*" *thought process* in connecting the geographical reference "SWISS" and the chocolate/cocoa drink mixes. This was because the evidence supported the fact that Switzerland enjoyed an accepted reputation for chocolate manufacture. In the context of the trade, it was common for manufacturers of chocolate to also be producers of chocolate/cocoa drink mixes. There was thus a sufficiently obvious connection between Switzerland and the production of chocolate/cocoa drink mixes such as to engender an expectation that the goods had a Swiss origin.

157 I state by way of a general observation that the categories of deception under Section 7(4)(b) are not closed as is apparent from the wording of Section 7(4)(b), which is drafted inclusively, so that deception as to "geographical origin" is but one example of deception. It has also been noted that a geographical reference in a mark could imply not merely geographical origin of the goods concerned, but – in appropriate circumstances – could also be deceptive as regards other characteristics of the goods, for example, their nature, or quality. As stated in *Madgecourt* at 834:

... having noted that France and Paris in particular has a reputation for perfumes, it seems to me that the public would be deceived not only as to the geographical origin of the goods but may also be deceived as to their nature and quality.

(my emphasis)

158 Therefore, it seems to me that the nature of the geographical deception will depend, *inter alia*, on the sort of connection the geographical reference has in relation to the goods concerned. The more remote the connection, the more likely it would be that the public would make only a *fanciful association* between the mark and the goods, in which case there would be no deception under Section 7(4)(b) (IPOS Work Manual on Deceptive Marks).

159 Also, because the crux of the enquiry concerns public deception, it is relevant to have regard to all the factors which operate upon the mind of the relevant consumer.

160 Therefore, pulling these threads together and distilling some principles from the cases which I have reviewed above, the factors which impact public deception under Section 7(4)(b) may include:

- (i) the nature of the mark and the impression it communicates/conveys to the public;
- (ii) the nature of the goods claimed;
- (iii) the connection which the geographic reference has with the goods claimed;
- (iv) the knowledge and characteristics attributable to the public; and
- (v) the trade/industry practice.

161 The outcome involves an interplay of all of these factors towards influencing the expectation and perception of the public, and determining whether the connection between the place and the goods is *fairly obvious* to the public so as to engender a *literal* association between the geographical reference and the goods concerned, or whether the connection is less compelling and accordingly the geographical reference is liable to be merely *fanciful* and non-deceptive.

The connection between Seattle and coffee

162 The Opponent forcefully submitted, in essence, that Seattle is practically synonymous with coffee. The Opponent tendered evidence from websites, online resources, and newspaper reports. I attempt to summarise generally some expressions extracted from the evidence and used by the Opponent to describe the connection between Seattle and coffee:

- (i) Seattle has a well known coffee industry³⁶
- (ii) Seattle is well known for having a world-renowned coffee culture³⁷
- (iii) A world centre for coffee roasting and coffee supply chain management³⁸
- (iv) A reputation for heavy coffee consumption, with many successful independent artisanal espresso roasters and cafes³⁹
- (v) Coffee-drinking capital of the United States⁴⁰
- (vi) The epicentre of America's coffee craze⁴¹

³⁶ Opponent's Written Submissions at [42].

³⁷ Opponent's Written Submissions at [43].

³⁸ Opponent's Written Submissions at [43].

³⁹ Opponent's Written Submissions at [43].

⁴⁰ Opponent's Written Submissions at [45].

⁴¹ Opponent's Written Submissions at [45(h)].

163 Reviewing the evidence before me, I note the following.

164 First, much of the evidence speaks of Seattle's coffee *culture* and coffee houses. The Applicant contends that this is one step removed from the manufacture and production of coffee beverages. The Opponent however strongly argues that: (i) Seattle is well known for coffee generally; and (ii) it is artificial to "make a distinction between a geographic location having a strong coffee culture and being known for manufacturing coffee products, because the two concepts are inextricably linked".⁴² The Opponent submitted evidence (from third party websites like "Discover America" or "Marketwired", newspaper or press reports like Today, San Francisco Chronicle, and The Straits Times) to support Seattle's reputation for its strong coffee culture, its coffee producing businesses including Starbucks, Seattle's Best Coffee and Tully's as well as many successful independent artisanal roasters. The Opponent further points to *Wikipedia*, which describes Seattle as "a world center for coffee roasting and coffee supply chain management".⁴³ I accept on the evidence that coffee production and consumption activity clearly does occur in Seattle, although I question whether the connection between Seattle and coffee in our present case is *as obvious and compelling* to the Singapore public as, for example, Switzerland and chocolate, or Paris and perfumes.

165 Second, when reviewed in context, some of the Opponent's evidence speaks of Seattle's reputation *relative to other cities within the USA*. For example, in the website run by Discover America,⁴⁴ the extract relied on merely states that Seattle has the greatest concentration of coffee houses *in the country*, i.e. within the USA. In the website run by www.visitseattle.org,⁴⁵ the extract relied on states that no other city *in the country* is more readily identified with coffee. In other words, this evidence is *written and based on a perspective within the USA*. There may be a limit as to the extent to which I should extrapolate such evidence into the *Singapore* context. I have also considered the various local evidence submitted by the Opponent, which largely relate to articles in the press which describe Seattle as "coffee-drinking capital of the United States", "coffee lover's paradise", "city of coffee clubs", and "epicentre of America's coffee craze",⁴⁶ but I question whether the focus of these articles is primarily on Seattle generally. From the perspective of the *Singapore* public, would Seattle still hold as strong a connection to coffee as it would from the *American* perspective? The Singapore public would be exposed to, and aware of, many other places and countries outside of the USA with strong and vibrant coffee cultures, such as Italy and Australia to name a few. Closer home the Singapore public would also be familiar with Indonesian (civet cat) coffee and Vietnamese (drip) coffee, for example. My point here is simply to question whether Seattle's reputation for coffee as such would indeed feature so strongly in the mind of the Singapore public as to establish that "fairly obvious thought process" which *Swiss Miss* speaks of.

166 Third, some of the evidence speaks more about the connection between Seattle *and Starbucks*, rather than Seattle and coffee *per se*. For example, the Opponent referred to the Straits Times transcript of Minister Khaw Boon Wan's speech in 2002⁴⁷ where he

⁴² Opponent's Reply Submissions at [29]-[31].

⁴³ Opponent's SD Vol 7 at p 5.

⁴⁴ Opponent's SD Vol 7 at p 9.

⁴⁵ Opponent's SD Vol 7 at p 10.

⁴⁶ Opponent's SDR at pp 204 to 234.

⁴⁷ Opponent's SDR at p 209.

referred to Seattle as the "coffee capital of the United States". Yet, in the same breath, the Minister added, "where *Starbucks* originated". In a Business Times Singapore article in 2006,⁴⁸ the writer states: "Seattle is also a coffee lover's paradise. ... *did you know that Starbucks opened its first store in 1971 in the Pike Place Market in downtown Seattle?*". In a Straits Times article in 2010, the writer states: "Seattle, in the western American state of Washington, is known as the *birthplace of Starbucks*".

167 If, and to the extent that, the evidence demonstrates a connection between Seattle and the *Starbucks* brand, I am mindful that Section 7(4)(b) is an *absolute* and not a relative ground of refusal. Section 7(4)(b) is concerned with deceptiveness which is inherent in the mark itself as opposed to deception caused by the similarity of the mark to another (*Kerly's on Trade Marks*, at [8-200]-[8-201]). The court in *Swiss Miss* noted (at p.894) that the deceptiveness provision (Section 11 of the former UK Trade Marks Act 1938) was "*not so much for the protection of other traders in the use of their marks or to protect their reputation but for the protection of the public*". Accordingly, whatever connection which the Opponent and/or its *Starbucks* brand has with Seattle is beside the point.

168 That said, I must of course have regard to the connection between Seattle and coffee – including the Opponent's role (if any) in contributing to that connection. Nevertheless, this conceptual distinction is important because Section 7(4)(b) is not concerned with deceptiveness vis-a-vis the Opponent and/or its *Starbucks* brand.

169 In the end, however, the connection which the geographic reference has with the goods claimed is but one of the factors to be considered in the round. Having regard to the other factors set forth above, I am not persuaded that there would be a real tangible danger of public deception. I shall turn to address these other factors.

The nature of the mark and the impression it communicates/conveys to the public

170 The Opponent contends that the Application Mark makes "*a direct reference*" to Seattle largely by virtue of the phrase "The Mountain of *Seattle*", which is further reinforced by the inclusion of the words "Mt. RAINIER" and the mountain device because Mt. Rainier is an iconic and well known mountain in the Seattle region.⁴⁹ In this regard, I have also taken due regard of the fact that: (a) the Applicant itself candidly acknowledged that one of the reasons it chose the name "Mt. Rainer" was because it was "a symbol of the city of Seattle";⁵⁰ and (b) Japanese newspaper publications reported that the design behind the Mt Rainier line of products is based around Seattle.⁵¹

171 As I perceive it, the most prominent element in the Application Mark is the word element, "Mt. RAINIER". This word element is reinforced by the device element of a mountain, such that the public is likely to assume that the device element is an image of Mt. Rainier. I am of the view that the word "Mt. RAINIER" and the mountain device are mutually reinforcing. However, I disagree that both of these elements reinforce the impression of *Seattle* conveyed by the Application Mark.

⁴⁸ Opponent's SD at p 211.

⁴⁹ Opponent's Written Submissions at [29].

⁵⁰ Applicant's SD at [7].

⁵¹ Opponent's SDR at pp 236-251.

172 The phrase, "THE MOUNTAIN OF SEATTLE", appears in significantly less prominence. The dominant impression of the Application Mark, both textually and graphically, is "Mt. RAINIER". The word "SEATTLE" in the Application Mark is far less prominent in size and positioning, and it appears only in the context of the phrase, "THE MOUNTAIN OF SEATTLE". In the context of the Application Mark as a whole, I am of the view that this phrase is informative i.e. that Mt. Rainier is a mountain in Seattle, rather than serving as a reference to the city of "Seattle, Washington" as such.

173 It is important to consider this issue from the perspective of the relevant consumer to discern what impression or message the mark would communicate to the public. For example, in *Madgecourt*, the term "PARFUMS DE PARIS" was an obvious statement of "perfumes" being "of Paris". Therefore, having regard to this term, the Hearing Officer held that it would give rise to an expectation that the perfumes would be manufactured in Paris. In our present case, while there is mention of "Seattle" within the Application Mark, I do not consider that the geographical reference of Seattle speaks so *directly* to the public looking at the mark as a whole.

174 I find support for my view in the US Trademark Trial and Appeal Board's ("US TTAB") observations concerning the identical mark in *In re Morinaga Nyugyo Kabushiki Kaisha* 120 USPQ2d 1738 (TTAB 2016). There, the US TTAB made several observations about the identical mark (which the TTAB referenced as the "Applicant's Mark") in its decision, which I find helpful to outline here::

- i) "...when Applicant's mark is considered as a whole, we agree with the Examining Attorney ... that the mountain design and the words THE MOUNTAIN OF SEATTLE in Applicant's mark reinforce, rather than detract from, the impression made by the words MT. RAINIER." [page 9]
- ii) "In Applicant's mark, the word SEATTLE plays a relatively minor role visually, but more importantly, it is part of the phrase THE MOUNTAIN OF SEATTLE, which appears at the base of a mountain, all of which is underneath the large and dominant wording MT. RAINIER". [page 24]
- iii) While there is no doubt that the term SEATTLE identifies a generally known geographic location, as it is used in the context of Applicant's mark, we do not find that the relevant public would consider it to indicate the origin of the goods" [page 24]

(my emphasis)

175 To be clear, and as pointed out by the Opponent, I am well aware of the difference in the statutory language of the deceptiveness provisions in the US Trademark Act. However I am not drawing upon the findings made by the TTAB in its application of US law, but merely having regard to the US TTAB's *factual perception* of the mark, with which I am aligned in that limited regard.

176 On balance, having regard to the Application Mark as a whole, I am of the view that the geographical reference which it communicates – and which the public perceives – is "Mt. RAINIER", and not "Seattle". To the extent that the word "SEATTLE" appears within the Application Mark, it serves to add colour and context to "Mt. RAINIER" as

a mountain of Seattle. Overall, in the context in which the word "SEATTLE" appears, it is still a reference to Mt. Rainier rather than a reference to the city of Seattle.

177 "Mt. Rainier" is not synonymous with Seattle, even if it is an iconic mountain in the region of Seattle. To illustrate, an expression such as: "Eiffel Tower – the icon of Paris" would be, to my mind, a reference to the Eiffel Tower rather than a geographical reference to Paris *per se*. In my view, the evidence is not sufficiently compelling to demonstrate that the consumers in Singapore would readily associate "Mt. Rainier" with Seattle. Even if "Mt. Rainier" is an iconic symbol of Seattle, the evidence does not establish that the average Singaporean (or even an average Singapore coffee drinker) would make this link or connection with "Mt. Rainier". The gist of the evidence relied upon by the Opponent⁵² appears to be mere references to tourist information (seattle.gov, fodors.com), travel blogs (Tripadvisor), or images of the Seattle skyline; all of which, in my view, are wholly lacking and fail to convince me that there is a sufficient connection between the Application Mark and Seattle. It would be even more of a stretch, to say the least, to sustain the argument that the Application Mark would give rise to any expectation amongst *Singapore's* average consumers that the goods originate from Seattle.

Mt. Rainier, coffee, and the relevant Singapore public

178 I have found that the Application Mark speaks of "Mt. RAINIER" rather than Seattle. It is relevant therefore to consider whether there is any connection between the geographical reference of "Mt. RAINIER" and coffee products, for this would be a factor influencing public deception.

179 In this regard, the Opponent's evidence falls short. In fact, the Opponent has not tendered evidence of any connection between *Mt. Rainier* and coffee. Indeed, the Opponent stated that its case "*is not that Mount Rainier is known for such products*" (i.e. coffee beans or ready-to-drink beverages).⁵³ In its reply submissions, the Opponent reiterated that it "*is not suggesting that Mt. Rainier per se is known for coffee products*".⁵⁴

180 Given my finding that Mt. Rainier is not synonymous with Seattle, and the Opponent's concession that Mt. Rainier is not known for coffee products, I am of the view that our present case is several steps removed from the "fairly obvious thought process" in *Swiss Miss*. The weakness of the link (if any) between "Mt. RAINIER" in the Application Mark and coffee products renders it more probable than not that the public will make only a *fanciful* rather than *literal* association between the geographical reference and coffee products. The reference to "SEATTLE" contained in the Application Mark is, in my opinion, too oblique and indirect to result in any expectation that the goods originate from Seattle. I am of the view that the Singapore public would simply regard the Application Mark in its entirety as fanciful, rather than indicative of (deceptive) origin.

181 I might have been persuaded to find otherwise if the Application Mark had been expressed in such a way as to represent a plain and overt reference to Seattle, for

⁵² Opponent's SD Vol 6 at pp 288-321.

⁵³ Opponent's Written Submissions at [42].

⁵⁴ Opponent's Reply Submissions at [26].

example, "SEATTLE BLEND", or "SEATTLE COLD BREW", or expressions to such effect. Or, to borrow the Opponent's illustration: "SEATTLE'S BEST COFFEE", which is the actual name of a coffee operator in Seattle. Clearly this is an example where the expression plainly communicates the fact that the trader's coffee originates from Seattle. I would have had little difficulty accepting this mark as deceptive under Section 7(4)(b) if the coffee products did not so originate. However, in the present case, the Application Mark is of a different nature and expression; overall, it does not, in my view, speak the language of deception.

182 Further, based on my observation of the market place in Singapore and as alluded to by the Applicants,⁵⁵ it is common practice, amongst businesses in the food and beverage industry operating in Singapore and worldwide, to include geographical names or geographical icons in their marks, regardless of where the products *literally* originate. Such references may inform as to the particular inspiration, ambience, imagery, *type* of cuisine/beverage, or *concept* of the food/beverage product or service. The Applicant points to *Georgia Coffee*, *Vermont Coffee*, *Java Curry*, *Cafe de Paris*, and *Paris Baguette* as examples.⁵⁶ Indeed the Applicant does not deny that the inspiration behind the Application Mark itself is drawn from the coffee culture of Seattle.⁵⁷

183 I take the Opponent's point that it is unclear to me at this time whether any of the goods offered under these brands do in fact originate from the geographic reference implied therein. However, overall, I am of the view that the public is sufficiently exposed to such branding concepts in the food and beverage sector, such that, like *Smirnoff*, I might say that the Singapore public would be "*reasonably observant and circumspect and thus sufficiently alert and sensible such as not to need protection from claims that might only deceive a relatively small number of customers*".

184 The fact that a mark contains a geographical reference will not necessarily always trigger an objection under Section 7(4)(b) unless it creates an expectation in the mind of the consumer, having perceived that geographical reference, that the goods originate from that geography. As was the case in *Smirnoff*, I am entitled to have regard to the trade practices and the nature of branding within the food and beverage industry in assessing the issue of public deception.

185 As regards the nature of the consumer, I note that the Opponent invited me, in this regard, to apply principles relevant to the "likelihood of confusion" analysis under Section 8(2)(b) of the TMA, to the issue of deception under Section 7(4)(b).⁵⁸ I would decline to do so as a matter of conceptual clarity, because as I mentioned earlier, a conceptual distinction should be maintained between *relative grounds confusion* vis-a-vis the Opponent (or third parties), and *absolute grounds deception* vis-a-vis the public.

186 In any event, based on the jurisprudence which I have reviewed and the guidelines expressed in the IPOS Work Manual on Deceptive Marks, I am entitled to ascribe attributes and characteristics to the relevant consumer without having to transpose "likelihood of confusion" principles under Section 8(2)(b) into the analysis under Section 7(4)(b).

⁵⁵ Applicant's Written Submissions at [137].

⁵⁶ Applicant's Written Submissions at [137].

⁵⁷ Applicant's Written Submissions at [137]

⁵⁸ Opponent's Written Submissions at [57].

187 The Opponent contended that the relevant consumer in this case would be the average coffee drinker in Singapore.⁵⁹ The Opponent contends that the goods in question tend to be low-priced (coffee-based confectionary).⁶⁰ As such, consumers would engage in a "casual inspection" at best in their selection process. Moreover, the average Singapore coffee-drinker "is unlikely to have specialist coffee knowledge and/or a high degree of intelligence/education".⁶¹ I question whether the Opponent has defined the relevant consumer somewhat too narrowly. In my view, the relevant consumer in this case would be *the prospective purchasers of the Applicant's goods bearing the Application Mark*. This would include any member of the Singapore public who may not necessarily be coffee drinkers themselves, but could potentially purchase coffee beverages for their friends, family members, colleagues, and so on.

188 I have in mind here that the profile of the relevant consumer in this case would include those who do not have specialist coffee knowledge as they may not even be coffee drinkers themselves; the relevant consumer would also include among them coffee drinkers who simply enjoy their daily brew at the neighbourhood coffee shop. They are concerned with the strength of their coffee, the aroma, whether it is taken black, with more sugar or less sugar, with condensed milk, or with evaporated milk, whether their coffee is "local styled coffee" (in local parlance, "kopi siu dai", "kopi gao", "kopi-o" etc), or Western styled coffee (i.e. Americano, cafe latte, flat white, espresso, cappuccino etc).

189 When confronted with the Application Mark, would the relevant consumer in this case even involve themselves in making a geographical connection between the mark and the goods in the first place? Their concern may be simply whether or not the coffee suits their taste.

190 In my view, if the relevant consumer is likely to engage only in a "casual inspection" of the mark as the Opponent contends, then they are not likely to dwell heavily upon dissecting the mark into its geographical elements; ponder the significance of "Mt. RAINIER" as a geographical icon; realise from a further inspection of the mark that "Mt. RAINIER" is "the mountain of *Seattle*" (because, as the Opponent contends, the relevant consumer does not have a high degree of intelligence/education and therefore I must entertain the possibility that it may not be immediately apparent to the relevant consumer that Mount Rainier is the highest mountain of the Cascade Range of the Pacific Northwest which is in the Seattle region); rely on their knowledge of the sufficiently obvious connection between Seattle and coffee; in order to produce in them an expectation that the Applicant's coffee products have a Seattle origin; and thereby be deceived by the fact that the products do not have that origin. This is, to my mind, a tenuous extrapolation.

191 It is more likely in my view that the relevant consumer will simply regard the Application Mark as a fanciful brand logo in the absence of any expression which makes a plain statement as to geographical origin, such as "Seattle's Best Coffee".

⁵⁹ Opponent's Written Submissions at [58].

⁶⁰ Opponent's written submissions at [60(b)].

⁶¹ Opponent's written submissions at [60(c)].

192 Having regard to the totality of the evidence, bearing in mind the burden of proof on the Opponent, and the threshold required for deception under Section 7(4)(b), I am not persuaded that the Application Mark is of such a nature as to offend Section 7(4)(b).

193 I take the liberty to add the following remarks before I leave this ground of opposition. In *Smirnoff*, due regard was had to the practices of the trade – that it was common within the trade to promote a Russian connection with the goods concerned, regardless where the goods were produced. Likewise, I believe it is common for traders, especially in light of enhanced globalisation and travel, including those in the food and beverage industry, when sourcing for a trade mark, to borrow their concept or inspiration, so to speak, from something or somewhere, including landmarks, places, personas, locations and countries. This is part and parcel of a brand story, which – I am inclined to think – a consumer will reasonably expect, considering the practices of the trade. Unless a particular reference to a geographical connotation is overt and obvious in the context of the specific goods, such references will, more likely than not, be considered fanciful in the mind of the average consumer.

194 Ultimately, if a brand does not live up to its story, it is for the market to decide whether to repeat or to avoid the experience associated with those goods or services to which the trade mark is applied. Unless a trade mark has made a clear and express indication or representation which is plainly false, I am of the view that one should be slow to exercise a refusal *at the stage of an application for registration*, on the basis of Section 7(4)(b).

Conclusion on Section 7(4)(b)

195 The ground of opposition under Section 7(4)(b) therefore fails.

Ground of Opposition under Section 7(6)

196 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)

197 A leading local case on bad faith is *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 (“*Valentino*”). Some of the applicable principles which are pertinent to the present case are:

- (a) The term "bad faith" embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve "no breach of any duty, obligation, prohibition or requirement that is legally binding" upon the registrant of the trade mark: *Valentino* at [28].
- (b) The legal test for determining bad faith is the combined test of bad faith which contains both a subjective element (*viz.*, what the particular applicant

knows) and an objective element (*viz.*, what ordinary persons adopting proper standards would think). Thus, bad faith as a concept is context-dependent. In the final analysis, whether bad faith exists or not hinges on the specific factual matrix of each case: *Valentino* at [29].

- (c) An allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence. A plea of bad faith should not be lightly made and if made should be distinctly alleged and distinctly proved. It is not permissible to leave bad faith to be inferred from the facts: *Valentino* at [30].
- (d) Once a *prima facie* case of bad faith is made out by the Opponent, the Applicant bears the burden of disproving any element of bad faith: *Valentino* at [36].
- (e) Once bad faith is established, the application for registration of a mark must be refused even though the mark would not cause any confusion: *Valentino* at [20].

198 The Opponent alleges that the Application Mark was conceived and designed to capitalize and free-ride on the growing fame, reputation and goodwill of the Opponent's Marks, business, and products.⁶² The Opponent's case on Section 7(6) is premised on the following contentions:

- (a) That the Applicant drew inspiration from the coffee culture of Seattle in conceiving its "Mt. Rainier" trade mark. Seattle is the Opponent's founding location, and the Applicant must have had actual or constructive knowledge of the Opponent's trade marks, business, and products.⁶³
- (b) The words "Mt. Rainier" and "The Mountain of Seattle" are blatant references to the Opponent's founding location.⁶⁴
- (c) The Application Mark possesses a high degree of visual and conceptual similarity to the Opponent's Marks and "smacks of opportunism".⁶⁵

199 Even if the Applicant has actual or constructive knowledge of the Opponent's trade marks, business, and products, it does not necessarily follow that the application was made in bad faith. I agree with the Applicant that an allegation of bad faith simply on account of the alleged reputation, fame, or goodwill enjoyed by the Opponent cannot be sustained.⁶⁶ In any event, I do not believe that drawing cultural inspiration from a particular place or region when conceiving a brand or product name would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, given that it is common for traders to borrow concepts or seek inspiration from things, people, and places.

⁶² Opponent's Written Submissions at [226].

⁶³ Opponent's Written Submissions at [227]-[228].

⁶⁴ Opponent's Written Submissions at [229].

⁶⁵ Opponent's Written Submissions at [229].

⁶⁶ Applicant's Written Submissions at [148].

200 Further, I do not believe that the Applicant's act of drawing inspiration from Mt Rainier (or Seattle) in itself constitutes a blatant free-riding on the strong reputation of the Opponent.⁶⁷ The Opponent's business reputation and Seattle's "coffee culture" reputation are conceptually distinct. While I can accept that making blatant and overt references to another trader's business or other characteristics *may* constitute bad faith, I find that the present case does not fall short of acceptable commercial practices.

201 The Opponent submits that the Applicant has sought to mimic the Opponent's Marks as well as the product packaging, i.e. a cup with a plastic lid.⁶⁸ However, the Applicant points out that such product packaging is one which other traders also use in connection with take-away coffee drinks.⁶⁹ I have also found that the Application Mark as a whole is dissimilar to the Opponent's Marks.

202 Overall, based on the evidence before me and the burden on the Opponent given the seriousness of a bad faith allegation, I am not persuaded that the Opponent has discharged its burden of showing that the application for registration of the Application Mark has been made in bad faith.

Conclusion on Section 7(6)

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

Overall Conclusion

204 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 Application Mark shall proceed to registration. The Applicant is entitled to costs to be taxed, if not agreed.

Date of Issue: 22 November 2017

⁶⁷ Opponent's Written Submissions at [231].

⁶⁸ Opponent's SD at [58]-[60].

⁶⁹ Applicant's SD at [35].