

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

Trade Mark No. 40201402247Q
Hearing Date: 5 June 2018

IN THE MATTER OF A TRADE MARK APPLICATION BY

NBA PROPERTIES, INC.

AND

OPPOSITION THERETO BY

MONSTER ENERGY COMPANY

Hearing Officer: Burton Ong
 IP Adjudicator

Representation:

Ms Anna Toh (Amica Law LLC) for the Applicant

Ms Penelope Ng (Bird & Bird ATMD LLP) for the Opponent

GROUND OF DECISION

1 Monster Energy Company (the “Opponent”) is an undertaking based in the United States in the global energy drink beverage industry. Its primary business consists of designing, creating, developing, producing, marketing and selling energy drinks under the “MONSTER” and “MONSTER ENERGY” brands, using its claw-shaped logo as one of, or a part of, its registered trade marks. Sales of the Opponent’s products bearing these trade marks were launched in Singapore in October 2012 and the goods are available at convenience stores, petrol stations and other retail outlets.

2 Like the Hydra, the Opponent has launched multiple strikes against various different parties within the last few years, opposing their attempts to register trade marks that were regarded as encroaching upon its registered trade marks (namely the “MONSTER” and “MONSTER ENERGY” word marks), with each challenge undeterred by its unsuccessful actions on previous occasions.¹ The Opponent’s action in this case is different insofar as it focuses on its registered device mark and composite (device-and-word) mark rather than its word marks. The Opponent is seeking to prevent the registration of the Applicant’s trade mark on the basis of the graphic device elements of the Opponent’s earlier registered trade marks, both of which feature an image of three near-vertical lines with jagged edges that bear resemblance to the scratch marks of a taloned creature. The Opponent’s opposition is premised, in particular, on its proprietorship over the following earlier registered trade marks:

| Trade Mark Number Filing Date in dd/mm/yyyy format Class of Goods/Services | Mark | |
|---|---|--------------------|
| T0813670D 03/10/2008 Classes 9, 16, 18 and 25 |  | “Claw Device Mark” |
| 40201401723Y 10/12/2014 Classes 9, 16, 18 and 25 | | |
| T0813672J 03/10/2008 Classes 9, 16, 18 and 25 |  | “Composite Mark” |
| T1402721J 25/02/2014 Classes 16 and 25 | | |

The Claw Device Mark and the Composite Mark are collectively referred to in this decision as the “Opponent’s Marks” and the “Opponent’s earlier trade marks”.

¹ The quartet of cases involving trade mark oppositions by the same opponent are: *Monster Energy Company v Mixi, Inc.* [2017] SGIPOS 12 (issued on 12 September 2017, where the opposition to the registration of “MONSTER STRIKE” failed) (“*Monster Strike*”); *Monster Energy Company v Chun-Hua Lo* [2017] SGIPOS 17 (issued on 2 November 2017, where the opposition to the registration of “ICE MONSTER” failed. An appeal to the High Court was dismissed on 31 January 2018.) (“*Ice Monster*”); *Monster Energy Company v Glamco., Ltd* [2018] SGIPOS 7 (issued on 20 April 2018, where the opposition to the registration of “SWEET MONSTER” failed. The appeal from this decision was heard on 24 August 2018 and judgment has been reserved.) (“*Sweet Monster*”); and *Monster Energy Company v Tencent Holdings Limited* [2018] SGIPOS 9 (issued on 12 June 2018, where the opposition to the registration of “MONSTER CASTLE” failed. The decision is currently under appeal.) (“*Monster Castle*”).

3 At the crux of this case lies the question of what is the appropriate breadth of the legal monopoly that the registered proprietor of a device trade mark is entitled to, particularly against a subsequent trade mark applicant seeking to register another device mark which contains allegedly similar visual elements. The competing trade marks in this case are *not* owned by direct trade rivals. The Opponent is primarily in the business of energy beverages, while the counterparty is responsible for the merchandising operations of a North American professional basketball league. The essence of the trade mark struggle between these parties boils down to how far a registered trade mark proprietor can go in defending his trade mark “turf” in the realm of logos and graphic devices. How far does the exclusivity of, and statutory protection given to, the Opponent’s registered trade marks extend?

4 NBA Properties, Inc. (“the Applicant”), is the marketing and licensing arm of the National Basketball Association (“NBA”), a men’s professional basketball league consisting of thirty member teams located in the United States of America and Canada. The Applicant applied to register the following trade mark (see below – “the Application Mark”) in Singapore on 16 December 2014 under Trade Mark No. 40201402247Q.



5 The application was accepted and published on 6 November 2015 for opposition. The Opponent filed its Notice of Opposition to oppose the registration of the Application Mark on 4 January 2016. The Applicant filed its Counter-statement on 4 May 2016.

6 The Opponent filed its evidence in support of the opposition on 21 December 2016. The Applicant filed its evidence in support of the application on 21 August 2017. The Opponent filed its evidence in reply on 20 November 2017. Following the close of evidence, the Pre-Hearing Review was held on 13 December 2017. At the Pre-Hearing Review, the grounds of opposition were discussed and the Opponent was directed to particularise its allegation of bad faith under Section 7(6) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“the Act”). The Opponent was not able to do so and thus, this ground of opposition has been abandoned. The opposition was heard on 5 June 2018.

Grounds of Opposition

7 The Opponent relies on Sections 8(2)(b), 8(4)(b)(i), 8(4)(b)(ii) and 8(7)(a) of the Act in this opposition. One of the pre-requisite elements that the Opponent needs to establish to succeed on any of these grounds of opposition is the similarity between at least one of its earlier registered trade marks and the Application Mark. Mark-similarity serves as a key threshold requirement which circumscribes the scope of the trade mark

proprietor's exclusive rights, including the right to prevent the registration of subsequent trade marks that might prejudice the value of the trade mark as a badge of origin or diminish its commercial magnetism. The tort of passing off is also unlikely to be established if the mark-similarity issue is answered in the negative because no misrepresentation is likely to have been made by the Applicant's use of a dissimilar mark.

Opponent's Evidence

8 The Opponent's evidence comprises the following:

- (i) a Statutory Declaration made by Rodney Cyril Sacks, Chairman and Chief Executive Officer of the Opponent on 29 November 2016 in Corona, California, U.S.A ("Opponent's SD") and
- (ii) a Statutory Declaration in Reply made by the same Rodney Cyril Sacks on 9 November 2017 in Corona, California, U.S.A.

Applicant's Evidence

9 The Applicant's evidence comprises a Statutory Declaration made by Michael Potenza, Vice President and Intellectual Property Counsel of the Applicant on 18 August 2017 in New York, New York, U.S.A. ("Applicant's SD").

Applicable Law and Burden of Proof

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

Background

11 The Opponent is an American company that makes a line of beverages, primarily energy drinks, that are sold around the world under its "MONSTER" and "MONSTER ENERGY" brands, with the Claw Device Mark frequently used in its product packaging, merchandising (including stickers, clothing, decals and helmets) and sponsorship activities. The Opponent has registered its trade marks, including the Claw Device Mark and Composite Mark, in over 150 countries and territories, including Singapore, and defends these marks vigorously. The Opponent describes its marketing strategy as "unconventional as it focuses on endorsements and sponsorships... from athletic events, competitions, music festivals and musicians, all of which are widely participated in and attract a large number of audiences" (Opponent's SD at [12]). The Opponent does not use direct television or radio advertising to promote its products or trade marks, relying instead on its sponsorship activities to receive "substantial and extensive exposure on television, on the Internet, in magazines, and at live events" (Opponent's SD at [33]). The Opponent's target market is "young adults aged 18 to 34 years old, primarily males" and it has cultivated an image of its products as "edgy and aggressive" to attract its primary demographic (Opponent's SD at [34]).

12 In Singapore, the Opponent launched sales of its drinks in October 2012, selling upwards of 4.7 million cans of its energy drinks (with sales amounting to approximately

US\$4.2 million) between that time and 31 March 2016 (Opponent’s SD at [25]). “MONSTER” energy drinks are distributed in Singapore by Pacific Beverages Pte Ltd through channels of “retail stores, gas stations and other outlets such as drug stores” (Opponent’s SD at [28]). Between April 2012 and March 2016, the Opponent spent more than US\$2.2 million in marketing and promotional activities in Singapore, almost always using the Claw Device Mark in its advertising materials in retail outlets, magazines and on the internet (Opponent’s SD at [37]-[38]). Having sponsored an F1 Racing Team, Mercedes AMG Petronas, since March 2010, the Opponent’s Claw Device Mark has appeared on the helmets and racing suits of its drivers who competed in the 2012 to 2016 editions of the Singapore Grand Prix (Opponent’s SD at [48]-[60]). The Opponent has also sponsored various competitions and athletes taking part in various international sporting events held outside of Singapore, including motorcycle racing, skateboarding and mixed martial arts, that Singaporean fans were exposed to via cable television sports channels and the Internet (Opponent’s SD at [67]-[146]). Other marketing activities took place through music festivals, on social media platforms, magazine articles describing “MONSTER” energy drinks, product merchandising, video games and E-sports (video game competitions) (Opponent’s SD at [152]-[187]).

13 The Applicant has worldwide ownership of, and control over, all of the NBA members’ team-branded trade marks (Applicant’s SD at [4]-[5]). One of the basketball teams in this league is the TORONTO RAPTORS, a professional basketball team based in Toronto, Ontario, Canada, which has used several trade marks between 1994 and 2014 featuring different design combinations of ‘raptor’ dinosaurs (velociraptors) and basketballs (Applicant’s SD at [11]-[13]). In 2014, the TORONTO RAPTORS unveiled an updated iteration of its trade mark, consisting of a “Claw and Ball Device” encircled by a black ring with white letters spelling out “TORONTO RAPTORS” (Applicant’s SD at [14]) – the Application Mark which is the subject of these opposition proceedings.

| Evolution of Toronto Raptor Marks | | | |
|---|---|--|---|
|  |  |  |  |
| 1994 RAPTORS & Raptor & Ball Design | 1995 Claw & Ball Design | 2008 Claw & Ball Design in a Circle | 2014 TORONTO RAPTORS & Claw & Ball Design |

14 According to the Applicant, NBA-branded products, including team-specific branded merchandise carrying the TORONTO RAPTORS logo, are available to consumers all over the world through 125,000 international retail locations in 100 countries in 6 continents, as well as through its online store (Applicant’s SD at [17]). The Applicant deposed that purchasers of such products are discerning sports fans with specific loyalties to particular teams, making purchasing decisions based on their fandom and support for their favourite teams (Applicant’s SD at [15]). Basketball enthusiasts in Singapore are able to watch the NBA’s games, including games played by the TORONTO RAPTORS, when they are televised on sports channels on cable

television, such as ESPN Star Sports, and on-demand through online streaming services offered by the NBA (Applicant's SD at [24]).

15 In its application to register the Application Mark in Singapore on 16 December 2014, the Applicant defined the scope of the goods and services in Classes 9, 16, 25, 28 and 41 in respect of which registration was sought in the manner set out below.²

Class 9

Scientific, nautical, surveying, photographic, cinematographic, optical, weighing, measuring, signalling, checking (supervision), life-saving and teaching apparatus and instruments; apparatus and instruments for conducting, switching, transforming, accumulating, regulating or controlling electricity; apparatus for recording, transmission or reproduction of sound or images; magnetic data carriers, recording discs; compact discs, DVDs and other digital recording media; mechanisms for coin-operated apparatus; cash registers, calculating machines, data processing equipment, computers; computer software; fire-extinguishing apparatus; audio recordings and video recordings featuring entertainment and information in the field of basketball; audio discs, video discs, computer laser discs, pre-recorded audio and video cassettes, pre-recorded audio and video tapes, pre-recorded compact discs, pre-recorded computer laser discs, all featuring entertainment and information related to basketball; computer accessories, namely flash drives, computer stands, mouse pads, mice, disc cases, computer carry-on cases, computer sleeves, keyboard wrist pads, all related to basketball; computer programs for viewing information, statistics or trivia about basketball; computer software, namely screen savers featuring basketball themes; computer software to access and view computer wallpaper; computer browser software for use in viewing and displaying data on the Internet; computer skins, namely, fitted plastic film for covering and providing a scratch proof barrier for computer devices; computer game software; video game software, video game cartridges; radios, electronic audio speakers, headphones and ear buds, wireless telephones, telephones; cell phone accessories, namely headsets, skins, face plates and cell phone covers; electronics accessories, namely skins, covers and stands for MP3 players, electronic tablets and portable personal digital assistant devices; decorative switch plate covers, video monitors, computer monitors, binoculars; sunglasses; eyeglass frames; eyewear straps and chains; eyeglass and sunglass cases; magnets; disposable cameras; credit cards and pre-paid telephone calling cards magnetically encoded; downloadable video recordings, video stream recordings, and downloadable audio recordings in the field of basketball provided over the Internet; downloadable computer software for viewing databases of information, statistical information, trivia, polling information, and interactive polling in the field of basketball provided over the Internet; downloadable computer game software; downloadable interactive video games and downloadable trivia game software provided over the internet; downloadable computer software for use as screensavers and wallpaper, to access and display computer browsers, for use in viewing data on the Internet,

² I have underlined parts of the Applicant's trade mark application specifications to indicate how the Applicant has sought to limit the scope of the goods and services, in respect of which the Application Mark will be used, to subject matter related to the sport of basketball.

for use in designing plastic film computer skins to protect computer monitors, for use in creating avatars for playing games and for use in remotely manipulating computer cursors over the Internet; downloadable electronic publications in the nature of magazines, newsletters, coloring books, game schedules, all in the field of basketball, provided over the Internet; downloadable catalogs provided over the Internet featuring an array of basketball-themed products; downloadable greeting cards provided over the Internet; decorative wind socks for indicating wind direction.

Class 16

Paper, cardboard and goods made from these materials, not included in other classes; printed matter; bookbinding material; photographs; stationery; adhesives for stationery or household purposes; artists' materials; paint brushes; typewriters and office requisites (except furniture); instructional and teaching material (except apparatus); plastic materials for packaging (not included in other classes); printers' type; printing blocks; publications and printed matter, namely basketball trading cards, trading cards, stickers, decals, commemorative basketball stamps, collectible cardboard trading discs, memo boards, clipboards, paper coasters, post cards, place mats of paper, facial tissues, note cards, memo pads, note pads, ball point pens, crayons, felt tip markers, rubber bands, pencils, pen and paper holders, desktop document stands, scrap books, rubber stamps, drafting rulers, paper banners and flags, 3-ring binders, stationery folders, wirebound notebooks, portfolio notebooks, unmounted and mounted photographs, posters, calendars, bumper stickers, book covers, bookmarks, wrapping paper, children's activity books, children's coloring books; statistical books, guide books, and reference books, all in the field of basketball; magazines in the field of basketball, catalogs in the field of basketball, commemorative game and souvenir programs related to basketball, paper pennants, stationery, stationery-type portfolios, post cards, invitation cards, printed certificates, greeting cards, Christmas cards, holiday cards, informational statistical sheets for basketball topics; newsletters, brochures, pamphlets, and game schedules in the field of basketball; bank checks, check book covers, check book holders, comic books; non-magnetic credit cards and telephone calling cards not magnetically encoded; money clips.

Class 25

Clothing, footwear, headgear; hosiery, basketball shoes, basketball sneakers, slippers, T-shirts, shirts, polo shirts, sweatshirts, sweatpants, pants, tank tops, jerseys, shorts, pajamas, sport shirts, rugby shirts, sweaters, belts, ties, nightshirts, hats, caps, visors, warm-up suits, warm-up pants, warm-up tops/shooting shirts, jackets, wind resistant jackets, parkas, coats, baby bibs not of paper, head bands, wrist bands (clothing), aprons, undergarments, boxer shorts, slacks, ear muffs, gloves, mittens, scarves, woven and knit shirts, jersey dresses, dresses, cheerleading dresses and uniforms, swim wear, bathing suits, swimsuits, bikinis, tankinis, swim trunks, bathing trunks, board shorts, wet suits, beach cover-ups, bathing suit cover-ups, bathing suit wraps, sandals, beach sandals, beach hats, sun visors, swim caps, bathing caps, novelty headwear with attached wigs.

Class 28

Games and playthings; gymnastic and sporting articles not included in other classes; decorations for Christmas trees; toys, games and sporting goods, namely basketballs, golf balls, playground balls, sports balls, rubber action balls and foam action balls, plush balls for games, plastic balls for games, basketball nets, basketball backboards, miniature basketball backboards, pumps for inflating basketballs and needles therefore; golf clubs, golf bags, golf putters, golf accessories, namely, divot repair tools, tees, ball markers, golf bag covers, club head covers, golf gloves, golf ball sleeves, golf putting greens; billiard cue racks, billiard balls, billiard ball racks, dart board cabinets, electronic basketball table top games, basketball table top games, basketball board games, action skill games, adult's and children's party games, trivia information games and electronic video arcade game machines, basketball kit comprised of a net and whistle, dolls, decorative dolls, collectible dolls, toy action figures, bobblehead action figures, stuffed toys, plush toys, jigsaw puzzles, toy building blocks, Christmas tree ornaments and Christmas stockings; toy vehicles in the nature of cars, trucks, trains and vans, all containing basketball themes, novelty foam toys in the shapes of fingers and trophies, toy trophies, playing cards, card games, toy noisemakers, pet toys; beach toys, namely, beach balls, inflatable balls, toy pails, toy shovels, sand toys, sand box toys, water-squirting toys; pool accessories, namely swim floats, pool floats, toy water rafts, foam floats, swim rings, pool rings, foam rings, body boards, surf boards, swim fins, surf fins, arm floats and water wing swim aids, all for recreational use; volleyball game kits comprised of ball, net, sidelines and whistle, and water polo game kits comprised of ball, net and whistle; miniature stadium reproductions, namely, small toy plastic models of a stadium; snow globes; video game machines for use with television and video game hand held controllers for use with console video gaming systems.

Class 41

Education; providing of training; entertainment; sporting and cultural activities; entertainment and educational services in the nature of ongoing television and radio programs in the field of basketball and rendering live basketball games and basketball exhibitions; the production and distribution of radio and television shows featuring basketball games, basketball events and programs in the field of basketball; conducting and arranging basketball clinics and camps, coaches clinics and camps, dance team clinics and camps and basketball games; entertainment services in the nature of personal appearances by a costumed mascot or dance team at basketball games and exhibitions, clinics, camps, promotions, and other basketball-related events, special events and parties; fan club services; entertainment services, namely providing on-line non-downloadable multimedia material in the nature of television highlights, interactive television highlights, video recordings, video stream recordings, interactive video highlight selections, radio programs, radio highlights, and audio recordings in the field of basketball, via a website; providing news and information in the nature of statistics and trivia in the field of basketball; on-line non-downloadable games, namely, computer games, video games,

interactive video games, action skill games, arcade games, adults' and children's party games, board games, puzzles, and trivia games; electronic publishing services, namely, publication of magazines, guides, newsletters, coloring books, and game schedules of others on-line through the Internet, all in the field of basketball; providing entertainment information in the field of basketball by means of an online computer database.

MAIN DECISION

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

16 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.

Overall Analytical Framework for Section 8(2)(b): “Step-by-step”

17 Under Singapore trade mark law, the general analytical framework for Section 8(2)(b) oppositions is known as the “step-by-step” approach, articulated by the Court of Appeal in *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690, and subsequently reaffirmed by the Court of Appeal in the leading cases of *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 (“*Hai Tong*”) and *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 (“*Staywell*”).

18 The “step-by-step” approach requires the three limbs of Section 8(2)(b) to be analysed separately, sequentially and systematically. The first two elements (‘mark-similarity’ and ‘goods-similarity’) are assessed individually, while the third element (‘likelihood of confusion’) involves a holistic determination of whether, in light of the relevant extraneous circumstances surrounding the notional, normal and fair use of the marks, the average consumer is likely to be confused by virtue of the similarities between the marks, as well as the goods, of the applicant and the opponent.

19 I would summarise the guiding principles for each step of this general analytical framework, as articulated by the Court of Appeal, in the following manner:

Step 1: Similarity between marks

(i) **Three signposts.** Assessing the substantive similarity between the marks requires an examination of the extent to which they are visually, aurally and conceptually similar. The law does *not* require *all* three types of similarity to be established before the marks are regarded as similar for the purposes of Section 8(2)(b). Neither is the fact that *one* type of similarity is established sufficient to mandate a finding that the marks must be regarded as substantively similar. Each aspect of similarity merely provides a

signpost that may or may not point in the direction of a conclusion on whether the marks, when observed in their totality, are similar or dissimilar. Trade-offs can occur between the three types of similarity, where a tribunal has some latitude to reach an overall conclusion based on one or more types of similarity offsetting the differences between the marks, or vice versa (*Hai Tong* at [40(a)], *Staywell* at [17]-[18]).

(ii) **Mark-similarity as a substantial threshold requirement.** The mark-similarity limb of Section 8(2)(b) should be applied in a sufficiently rigorous manner so that a meaningful conclusion is reached at the end of this stage of the inquiry. In concluding whether the marks are similar or dissimilar, the Singapore courts have rejected the “low threshold test” approach under which this limb is satisfied just because a minimal level of similarity between the marks has been shown (*Staywell* at [17]-[19]).

(iii) **“Mark-for-mark” comparison.** When assessing the similarity between the marks, the comparison must be made “mark for mark”, focusing the inquiry on the features of the mark without taking into account any external added matter or circumstances (*Hai Tong* at [40(b)], *Staywell* at [20] and [80]). In *Staywell*, the Court of Appeal went further to emphasise the need to evaluate each type of similarity separately at the mark-similarity stage, relegating any inquiry into the interaction between, or the effects produced by, the three types of similarity to Step 3 of the analytical framework.

(iv) **Marks taken as a whole.** When comparing trade marks at the mark-similarity stage of the inquiry, they should be assessed as a whole, based on the overall impression each gives, bearing in mind their respective distinctive and dominant components (*Hai Tong* at [40(b)] and [40(d)], *Staywell* at [26]-[29]). Whether the marks are similar or not is ultimately a matter of impression rather than a conclusion that can be resolved in a quantitative or mechanistic exercise (*Staywell* at [17]).

(v) **Technical distinctiveness is an integral factor in the mark-similarity inquiry.** The distinctiveness of the particular components of a mark, in both a technical sense (inherent distinctiveness or acquired distinctiveness³) and in a non-technical sense (that which is outstanding and draws the consumer’s attention), is a factor *integrated into* the visual, aural and conceptual analysis as to whether the competing marks are similar (*Staywell* at [23]-[25] and [30]). A mark which has greater technical distinctiveness enjoys a greater threshold before a competing sign will be considered dissimilar to it. Distinctiveness may lie in the individual components of the mark, or may arise from the combination of the sum of its parts (*Staywell* at [25]).

(vi) **Attention should be paid to dominant components of the marks.** When the other components of a complex mark or sign is of negligible significance, it is permissible to make the comparison solely on the basis of any dominant element(s). Competing marks with common dominant components may be regarded as similar if the components which distinguish them are ineffective to obscure the similarity between the marks (*Staywell* at [27], *Hai Tong* at [62(b)]).

(viii) **Average consumer viewpoint.** When assessing mark-similarity, the viewpoint taken should be that of an average consumer who would exercise some care and a measure of good sense when making purchases, and not that of an unthinking person in

³ See discussion below at [41]-[48].

a hurry. Given that the average consumer has imperfect recollection, the two contesting marks should not be compared side by side and examined in detail for the sake of isolating particular points of difference. Instead, the court should consider the general impression that will be likely left by the essential or dominant features of the marks on the average consumer (*Hai Tong* at [40(c)] and [40(d)], *Staywell* at [23]).

Step 2: Identity or Similarity between goods and/or services

(i) **Class of goods/services and specifications.** Registration for goods or services in the same specification within a class establishes a *prima facie* case for identity between those goods and services. Where a good or service in relation to which registration is sought falls within the ambit of the specification in which the incumbent mark is registered, the competing goods or services will be regarded as identical (*Staywell* at [41]).

(ii) **No extraneous factors considered when goods or services are identical.** While extraneous factors may be relevant to establish the degree of *similarity* as between goods or services, there is no need to consider these extraneous factors once the goods or services are *identical* to each other, since the question of similarity between them does not arise. Goods and services will be regarded as identical when they are in the same class and specification in opposition proceedings (*Staywell* at [42] and [82]).

(iii) **British Sugar factors applied to determine similarity between goods or services.** When deciding if the competing goods or services are similar, it is relevant to have regard to the factors set out in *British Sugar plc v James Robertson & Sons* [1996] RPC 281, 296-297. These include (a) the respective uses and users of the respective goods, (b) the physical nature of the goods and their respective trade channels through which they reach the market, and (c) how the goods are regarded, as a practical matter, for the purposes of trade (e.g. whether they are regarded as competitive or complementary in nature) (*Staywell* at [43]).

Step 3: Likelihood of confusion

(i) **Higher threshold for applicant in opposition proceedings than alleged infringer in infringement proceedings.** To decide whether there is a likelihood of confusion arising from the registration of the later mark, the court must not only consider the actual use to which the applicant has put the mark, but must also consider whether any of the notional fair uses of the mark by the applicant could conflict with the notional fair uses to which the proprietor of the registered mark could put his mark (*Staywell* at [62]).

(ii) **Interdependence between Steps 1, 2 and 3.** Factors relating to the similarity between the contesting marks, the relevant goods and services concerned and the characteristics of the relevant segment of the public must be assessed in an interdependent way. A lower degree of similarity between the goods or services may be offset by a higher degree of similarity between the marks, and vice versa, when deciding whether there is a likelihood of confusion amongst the relevant segment of the public (*Hai Tong* at [97]). It is permissible at the confusion-stage of the inquiry to have regard to the importance attached to the *different elements of similarity*, taking into

account the type of goods and services in question and how purchases of such goods are typically made (*Staywell* at [69]).

(iii) **Some extraneous factors relating to similarities in Steps 1 and 2 may be considered.** When assessing the likelihood of confusion, extraneous factors that bear upon the degree of similarity between the contesting marks, the degree of similarity between the goods or services in relation to which these are to be used, and their effect on the relevant segment of the public can and should be considered. Factors which relate to the *impact of mark-similarity*, and those which relate to the *impact of goods-similarity*, on consumer perception are relevant to the likelihood of confusion analysis. Permissible extraneous factors are those which are *intrinsic to the very nature of the goods* and/or affect the impact that the similarity of marks and goods has on the consumer – such as the *purchasing practices* and *degree of care paid by the consumer when acquiring goods of the sort* in question. Impermissible factors include those steps taken by a trader to differentiate the competing goods and services, and all factors which are not inherent in the goods but are susceptible to changes that can be made by a trader from time to time (such as pricing differentials, packaging and superficial marketing choices) (*Staywell* at [95]-[96], *Hai Tong* at [87]-[94]).

(iv) **Extraneous factors and consistency with antecedent stages of inquiry.** Other extraneous factors excluded from the mark-similarity inquiry (Step 1) may not be re-admitted into the confusion stage of the inquiry (*Staywell* at [88]). While some extraneous factors (in particular those relating to the uses and users of the goods and services in question) may be utilised at the goods-similarity stage of the inquiry (Step 2) to establish the requisite similarity between the goods, following which consideration may be given to those extraneous factors which “inform the court as to how the similarity of marks and goods will likely affect the consumer’s perception as to the source of the goods” (Step 3), a court’s conclusion from the foregoing that there would be likelihood of confusion should *not* be displaced by having regard to “yet further extraneous considerations that might have the effect of diminishing the likelihood of confusion”, in particular “whether the trader by means of his superficial trading choices has differentiated his goods in some way from those of the owner of the incumbent mark even though in substance the goods are similar or even identical for the purposes of trade mark law” (*Staywell* at [83], [86] and [89]).

(v) **Opposition proceedings and how the mark has been used on the goods in question.** Extraneous factors relating to the particular way in which the goods or services which have been affixed with the mark are being marketed are generally not relevant, since, in opposition proceedings, the court must consider the overlap between all notional fair uses of the registered mark and the applicant mark (*Staywell* at [84]).

(vi) **Perspective of the relevant segment of the public.** The likelihood of confusion is to be assessed with regard to the relevant segment of the public and the peculiar characteristics associated with this group. Where a product is commonly available and purchased by the general public, the relevant segment of the public would be the general public (*Hai Tong* at [95]). When assessing the impact of goods-similarity on consumer perception, as part of the likelihood of confusion inquiry, it is relevant to consider factors such as the nature of the goods (including their economic value and whether they would command a greater or lesser degree of fastidiousness and attention on the part of prospective purchasers) as well as the likely characteristics of the relevant

consumers and whether they would or would not tend to apply care or have specialist knowledge in making the purchase (*Staywell* at [96(b)]).

The Mark-similarity Inquiry

20 The Notice of Opposition and the Opponent’s Written Submissions (“OWS”) relied on seven earlier registered trade marks, all of which were either pure device marks or composite marks which combined the Claw Device Mark with the words “MONSTER ENERGY”. At the hearing, the Opponent chose to focus its opposition on four of these earlier registered trade marks, set out at the beginning of this decision – two of which are purely device marks, while the other two are composite marks.

| Applicant’s Application Mark | Opponent’s (Earlier) Claw Device Mark | Opponent’s (Earlier) Composite Mark |
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21 For the purposes of carrying out the mark-similarity inquiry, the Opponent argued that its Claw Device Mark is the “dominant and distinctive element” of its composite marks (OWS at [12]). The Opponent has also argued that the Applicant’s composite mark features a three-pronged device (the “Applicant’s Claw Device”) that, despite the word device element “TORONTO RAPTORS”, constitutes “an equally significant, if not dominant, component of the Application Mark” (OWS at [18]-[19]). If these submissions are accepted as correct, then the Opponent’s Claw Device Mark and the Applicant’s Claw Device should be the focal points for assessing the similarity between all the Opponent’s earlier registered trade marks and the Application Mark. In response, the Applicant in the Applicant’s Written Submissions (“AWS”) argued that the Application Mark should be viewed as a whole, comprising the word element “TORONTO RAPTORS” as the dominant component and “the device of a stylised basketball” as the other distinctive element (AWS at [18]-[21]).

22 As such, before we can actually evaluate the visual similarity between the Opponent’s Marks and the Application Mark, there is a preliminary issue of whether these marks have dominant components upon which the comparison exercise should be focused. This reflects the principles summarised above in *Step 1(iv)-(vi)*. In *Hai Tong* at [62(b)] and [62(c)], the Court of Appeal explained this approach in the following way:

The visual similarity of two contesting marks or signs must normally be assessed by reference to the overall impressions created by the marks or signs, bearing in mind their distinctive and dominant components. When the other components of a complex mark or sign are of negligible significance, it is permissible to make the comparison solely on the basis of any dominant element(s).

The overall impression conveyed to the public by a composite trade mark may, in certain circumstances, be dominated by one or more of its components....

Distinctiveness and Dominance of the Opponent’s Claw Device Mark

23 The Opponent has submitted that its Claw Device Mark is an “elaborate and inventive graphic device” which possesses a high degree of distinctiveness, in both technical and non-technical senses of the word (OWS at [9]-[11]).

24 Distinctiveness in a technical sense, on the one hand, relates to the non-descriptiveness of the mark in relation to the goods or services to which it has been applied, thereby enabling the mark to perform its function as a badge of origin. The Opponent seeks to invoke the principle, articulated in *Staywell* at [25], that “a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it”. According to the Opponent, the “three-pronged claw with jagged edges resembling the slashing or ripping effect of an animal’s claw” (OWS at [18]) depicted in its Claw Device Mark bears no descriptive reference to its registered goods.

25 Distinctiveness in a non-technical sense, according to *Staywell* at [23], refers to “what is outstanding and memorable about the mark” and, having regard to the tendency for such components to stand out in the consumer’s imperfect recollection, a court is “entitled to have special regard to the distinctive or dominant components of a mark, even while it assesses the similarity of the two marks as composite wholes.”

26 The Court of Appeal in *Staywell* at [28] explained the interaction between these concepts of “distinctiveness”:

[w]here a particular element or component has a high degree of technical distinctiveness, this can have a bearing on whether as a result of this, that component or element is found to be the dominant and distinctive element of the mark in the non-technical sense.

27 As a starting point, it is clear that the Opponent’s Claw Device Mark – having already secured trade mark registration – possesses some baseline level of distinctiveness. The issue to be considered here is, firstly, whether the level of distinctiveness is high enough to make the Claw Device Mark a dominant component of the Opponent’s composite mark. Secondly, whether the level of distinctiveness is high enough to cloak the Opponent’s Claw Device Mark with the “high threshold” of protection that could support a finding of similarity with a broader spectrum of non-identical competing marks. In other words, does the Opponent’s Claw Device Mark enjoy the wider penumbra of mark-similarity conferred upon highly distinctive trade marks?

28 At the oral hearing, the Applicant challenged the assertion that the Claw Device Mark has a high level of inherent distinctiveness on the basis that it is not particularly elaborate or inventive, alluding to the letter “M” or slash marks in a relatively straightforward fashion using three parallel jagged lines. The Applicant also argued that, in the context of the Opponent’s composite marks, the Claw Device Mark was likely to be viewed as subsidiary to the words “MONSTER ENERGY”, bearing in mind

that there are four earlier decisions of this tribunal that have decided that “MONSTER” and “MONSTER ENERGY” merely possessed a normal level of distinctiveness because they comprised common English words.⁴

29 There is some force to the Applicant’s submissions, particularly in relation to the distinctiveness of the Claw Device Mark when it is viewed as part of the composite mark. The allusion to the letter “M” is particularly strong when the device is viewed, in the context of the composite mark, alongside the words “MONSTER ENERGY”, a word mark which has also been registered separately as a trade mark. However, I am of the view that the level of inherent technical distinctiveness of the Opponent’s Claw Device Mark, on its own, is possibly higher than the level of distinctiveness that was found in the “MONSTER” and “MONSTER ENERGY” word marks by the Hearing Officers in the *Monster Strike*, *Ice Monster*, *Sweet Monster* and *Monster Castle* decisions for the following reasons.

30 Firstly, there is no obvious or immediate *descriptive* nexus between the Opponent’s Claw Device Mark and the Opponent’s goods (energy drinks) to which the trade mark has been applied. Secondly, a device mark does not necessarily have to be complex or elaborate to possess inherent technical distinctiveness. The Opponent’s Claw Device Mark is a relatively simple, but visually striking, image that is unusual enough to leave a lasting impression on the average consumer. It is evocative of the imagery associated with super-natural horror themes. The near-parallel and near-vertical orientation of the three-pronged claw mark in the Opponent’s Claw Device Mark, with its jagged edges and uneven configuration, succinctly conveys menacing undertones. Thirdly, unlike word marks consisting of ordinary common words from the English language, a stronger level of inherent technical distinctiveness in a stylised graphical device would not deprive other traders of any potentially useful linguistic or pictorial vocabulary to market their goods or services.

31 On the other hand, I am aware that the Claw Device Mark’s resemblance to the slashing or ripping effect of an animal’s claw may have some connotative link to the qualities that other traders in the energy drink business, or any other business, may wish to evoke as part of their brand image – strength, vigour and forcefulness. Nevertheless, on balance, I take the view that the Opponent’s Claw Device Mark has an above-average degree of inherent distinctiveness. I am prepared to accept the above-average degree of inherent distinctiveness of the Opponent’s Claw Device Mark means that this mark enjoys a wider-than-usual scope of protection, in that more non-identical competing marks can be regarded as “similar” to this mark compared to other registered trade marks that only possess an ordinary level of inherent distinctiveness. However, I would not go so far as to say that the Opponent’s Claw Device Mark possesses such a great level of technical distinctiveness that there is a “high threshold” – in terms of the differences between it and other later competing marks – before the Application Mark will be considered dissimilar to it.

⁴ These are the decisions referred to above in fn 1 above. See *Monster Strike* at [45] (“MONSTER ENERGY” found to have a normal, or ordinary, level of technical distinctiveness), *Ice Monster* at [73] (“MONSTER” found to have some level of technical distinctiveness, but not a high level of technical distinctiveness), *Sweet Monster* at [61] (“MONSTER” found to be at the lower end of the spectrum of distinctiveness) and *Monster Castle* at [41] (“MONSTER ENERGY” found to possess an inherent distinctiveness that is normal, or ordinary in nature).

32 The degree of distinctiveness possessed by the Opponent’s Claw Device Mark certainly contributes to whether it should be regarded as the dominant component of the Opponent’s Composite Mark for the purposes of the mark-similarity comparison. What is not clear from the Court of Appeal’s jurisprudence is exactly how the attributes of the other components of a composite mark should be factored into the analysis when determining if a particular component should be regarded as dominant. Is there a dominant component in the composite mark only when “the other components of a complex mark or sign are of negligible significance”? Or is the approach more fluid, in that a component can be regarded as dominant so long as “the overall impression conveyed to the public by a composite mark... [is] dominated by one or more of its components”? (*Hai Tong* at [62(b)] and [62(c)]) I am inclined to approach this issue of dominance using the framework set out in *The Polo/Lauren Company LP v United States Polo Association* [2016] SGHC 32, [11] (affirming the approach taken by the IP Adjudicator in [2015] SGIPOS 10, [60]), where the High Court identified the following factors as relevant considerations when determining whether a particular component of a composite mark is dominant:

- (i) The technical distinctiveness of the component;
- (ii) The “size” of the component; and
- (iii) The position of the component within the composite mark.

33 My conclusion on the inherent technical distinctiveness of the Opponent’s Claw Device Mark leads me, on balance, to support the Opponent’s contention that the device should be regarded as the dominant component of the Opponent’s Composite Mark. Furthermore, the Claw Device Mark should be regarded as the dominant component of the Opponent’s Composite Mark because of its visual prominence within the Composite Mark as a whole, where it appears to fill approximately 80% of the space occupied by the entire mark, with the remaining 20% taken up by the word mark.

34 Even if I am incorrect in treating the Claw Device Mark as a dominant component of the Opponent’s Composite Mark, the mark-similarity analysis carried out below can still proceed solely on the basis of the Opponent’s Claw Device Mark because this graphical device has been registered on its own, without any accompanying words. The Opponent’s Claw Device Mark, as a pure device mark, is the basis of the Opponent’s strongest case. If mark-similarity cannot be established between the Opponent’s Claw Device and the Application Mark, then the same conclusion (of a lack of mark-similarity) will necessarily be arrived at when the Opponent’s Composite Mark is compared against the Application Mark, given the greater number of distinguishing features present in the Opponent’s Composite Mark than in the Opponent’s Claw Device Mark.

35 Having established that, as far as the Opponent is concerned, the mark-similarity analysis should focus on its Claw Device Mark, the question that follows is whether there is a dominant component within the Application Mark – which the Opponent has dubbed as “the Applicant’s Claw Device” – that should be the focal point for the comparison exercise. If so, then the mark similarity analysis will proceed by comparing the Opponent’s Claw Device Mark against the Applicant’s Claw Device. If not, then the mark similarity analysis needs to be carried out by comparing the Opponent’s Claw Device Mark against the Application Mark in its entirety, including the words “TORONTO RAPTORS”.

Dominance of “Applicant’s Claw Device” within the Application Mark

36 The Opponent has argued that the Applicant’s Claw Device, which it describes as a “three-pronged device with jagged edges resembling the slashing or ripping effect of an animal’s claw” (OWS at [18]), should be regarded as “an equally significant, if not dominant, component of the Application Mark” for the following reasons: (a) the Applicant’s Claw Device is large and placed prominently in the centre of the Application Mark, while the words “TORONTO RAPTORS” are in comparatively smaller font and frame the Applicant’s Claw Device, drawing attention to the Applicant’s Claw Device; (b) the words “TORONTO RAPTORS” are devoid of distinctive character, with “TORONTO” being the name of a city while “RAPTORS” “simply reinforces the point that the three-pronged device is intended to represent the claw mark of a creature (i.e. a raptor); (c) the Applicant’s Claw Device is “of a complicated nature, incorporating the subtle distinctive details of the Opponent’s Claw Device, such as the three prongs of the claw as well as the jagged edges resembling the slashing or ripping effect of an animal’s claw.” (OWS at [19]).

37 In response, the Applicant has argued that focusing on the “three-pronged device with jagged edges” in the Application Mark is untenable because it entails an artificial isolation of just one part of the Application Mark, ignoring the presence of the words “TORONTO RAPTORS” and overlooking the fact that the “three-pronged device” has been integrated into the ribs of a larger basketball device (AWS at [22]). The Applicant has argued that we should construe the dominant component of the Application Mark as the word element “TORONTO RAPTORS” because (a) it is an invented word combination with no descriptive meaning in relation to any goods, and hence enjoys a high level of technical distinctiveness; (b) it does not describe the device element of the graphic device, which is “a stylised depiction of a basketball, or a claw gripping a basketball”; and (c) it is prominently displayed on the Application Mark “in white against a black background, and takes up about half of the mark” (AWS at [18]). Furthermore, the Applicant has argued that “TORONTO RAPTORS” is known as the name of a team in the NBA league and has adduced evidence of Singapore media coverage of NBA events, sales and marketing efforts relating to TORONTO RAPTORS merchandise, as well as the fact that the “TORONTO RAPTORS” word mark has been registered in Singapore as early as 1994 (AWS at [19]).

38 Any attempt to determine whether or not there is a dominant component to a mark must begin by looking at the mark in its entirety. The wording that has been included as part of the composite mark must be viewed, and interpreted, alongside the graphic device. A dominant component emerges when the average consumer’s focus is drawn to and held by a particular feature of the mark. That is why the degree of distinctiveness of the word device or graphic device plays an important role in determining if there is a dominant component within a composite mark. It is also why we consider the relative size of the component device and the proportion of space it occupies in relation to the entire mark. Devices that are particularly striking or attention-grabbing, visually or otherwise, are more likely to be considered dominant components. Such devices may stand out for different reasons, either because of their intrinsic qualities or characteristics or because of what they communicate to the average consumer.

39 In my view, the Opponent’s characterisation of the Application Mark as having a dominant component, the “Applicant’s Claw Device”, is unconvincing. Not every composite mark will have a dominant component. The graphic device element of the Application Mark is a stylised drawing that combines a graphical depiction of a claw with jagged edges together with a basketball. The graphic device element and the word element (“TORONTO RAPTORS”) of the Application Mark appear to enjoy roughly equal prominence when this composite mark is viewed as a whole. Without having to make any specific determination of the degree of distinctiveness or fame of the “TORONTO RAPTORS” word device, I am of the view that the average consumer is unlikely to focus on the so-called Applicant’s Claw Device to the exclusion of the words, which are in capitalised letters against a clearly contrasting background, encircling it. In fact, for reasons that will be explained in greater detail below, the average consumer is probably going to *perceive* the “Applicant’s Claw Device” within the graphic device element of the Application Mark *only after* he or she has read and interpreted the word device element.

40 I am thus of the view that the so-called “Applicant’s Claw Device” should not be regarded as the dominant component of the Application Mark. The mark-similarity analysis should thus proceed on the basis of a comparison between the Opponent’s Claw Device and the Application Mark as a whole.

Relevance of Consumer Knowledge and Evidence of Consumer Awareness of Word Mark to Mark-similarity Analysis: “impermissible extraneous factors”?

41 One interesting question that arose from this dispute is to what extent the knowledge of the average consumer, which may include awareness of facts that are widely known to the public or common general knowledge, is relevant to the mark-similarity analysis in trade mark opposition proceedings. More specifically, is it permissible for the parties to adduce evidence of public activities which may have shaped consumer knowledge of, and familiarity with, a word mark? This question arises because of the emphasis that the Court of Appeal has placed on how “the assessment of marks similarity is mark-for-mark without consideration of any external matter” (*Staywell* at [20]) and is related to the unresolved question of whether the acquired distinctiveness of a mark ought to be relevant to mark-similarity (Step 1) analysis.⁵

42 There was some disagreement between the Applicant and the Opponent about the legitimacy of taking into account the allegedly “widely-known” status of the words that comprise the textual component of the Application Mark when assessing its visual similarity to the Opponent’s Marks. In this case, the Applicant argued that “the phrase “TORONTO RAPTORS” has independent reputation and goodwill in Singapore, and is likely to be known and recognised by consumers in Singapore” because of the “wide exposure” to it through media coverage of NBA events and the sales and marketing efforts involving TORONTO RAPTORS merchandise (AWS at [19]). The Applicant’s position is that such media coverage and commercial activity has generated consumer knowledge or awareness of the word mark, so that “consumers looking at the Application Mark are likely to pay greater attention to the word element, and remember it as the “TORONTO RAPTORS” trade mark” (AWS at [20]), thereby contributing to

⁵ See *Monster Castle* at [36]-[37] and the recent decision in *Apple Inc. v Swatch AG* [2018] SGIPOS 15 at [28], both of which refer to *Clarins Fragrance Group f.k.a. Thierry Mugler Parfums S.A.S. v BenQ Materials Corp.* [2018] SGIPOS 2 at [20] – [25]).

the word device element's status as a dominant component of the Application Mark and making it a vital point of comparison in the visual similarity analysis. In its oral submissions, the Opponent argued that such evidence relied upon by the Applicant is irrelevant because they are "impermissible extraneous factors" of the sort disallowed by the Court of Appeal in *Staywell*.

43 The Applicant's argument that consumer recognition of the words "TORONTO RAPTORS" as the name of an NBA basketball team should be a relevant factor in the visual analysis of the Application Mark relied on dicta from the Court of Appeal in 2013 (*Hai Tong* at [62(d)(iii)]). Referring to an earlier decision of the High Court (*Festina Lotus SA v Romanson Co Ltd* [2010] SGHC 200 at [33], "*Festina*"), the Court of Appeal in *Hai Tong* observed that a textual component which was already "widely known" *could* (but would not necessarily or always be) a dominant component of a composite mark. The Opponent challenged the correctness of this dicta in light of the Court of Appeal's later decision that declared that "the assessment of marks similarity is mark-for-mark without consideration of any external matter" (*Staywell* at [20]).

44 During the opposition hearing, the Opponent drew my attention to a sentence in [20] of *Staywell* which declared a "slight departure from the approach taken by the High Court in *Festina*... at [55]-[56]", using this as a basis for arguing that [(62)(d)(iii)] of *Hai Tong* is no longer good law.

45 A close reading of these paragraphs of *Staywell* and *Festina* indicates that the Opponent's argument has missed the mark. The Court of Appeal's criticism in *Staywell* (at [20]) of *Festina* (at [55]-[56]) was directed at a specific point: that the mark-similarity analysis ought *not* be influenced by the setting in which consumers identified and purchased goods bearing the mark, in online and offline retail contexts, and that the impact of these circumstances on the relative significance of the visual similarity and aural similarity between the marks should only be considered at the likelihood of confusion stage of the inquiry. On the other hand, the dicta in *Festina* at [33] related to a different issue altogether – that a widely-known and distinctive, but *non-dominant*, element of the composite mark "does not purport to confer upon otherwise dissimilar marks a greater degree of visual similarity by virtue of some distinctiveness of the earlier mark". Rather, such distinctiveness of the textual component – which might mean that the words possess non-technical distinctiveness ("outstanding and memorable", per *Staywell* at [23]) or have acquired technical distinctiveness ("come to acquire the capacity to act as a badge of origin through long-standing and widespread use", per *Staywell* at [24]) – might lead the public to believe that there was an economic linkage between the relevant companies and help establish the "likelihood of confusion" requirement (*Festina* at [32]). Thus, the Court of Appeal's reservations in [20] of *Staywell* about [55]-[56] of *Festina* do not diminish the authority of the same court's earlier observations in [62(d)(iii)] of *Hai Tong* about [33] of *Festina*.

46 In my view, how the average consumer *understands* what he *sees* (which is the essence of the mark-similarity analysis) must necessarily depend on *what he knows*. As such, the knowledge of the average consumer, and *how* he is likely to *understand* or *interpret* the word device element of a composite mark, must be relevant to mark-similarity assessment. What words (or images, for that matter) *mean* to the average consumer must be evaluated contextually. It follows that the parties should be permitted

to adduce evidence of those surrounding circumstances that are relevant towards establishing the general knowledge possessed by the average consumer. To consciously ignore this context would entail the adoption of a highly contrived, and artificially blinkered, approach towards mark-similarity assessment that is incompatible with the commercial realities within which the trade mark regime operates.

47 There is no need for me to decide if “TORONTO RAPTORS” is in fact widely known to the public or not, even though the veracity of the Applicant’s evidence was largely unchallenged by the Opponent. In my view, the average Singapore consumer may or may not recognise “TORONTO RAPTORS” as the name of a basketball team in the NBA league.⁶ However, the average Singaporean consumer would possess a level of common general knowledge that would lead him or her to infer that these words refer to the name of a sports team since it is a fairly common naming convention to preface and pair a team’s informal name with its city of origin (e.g. the SINGAPORE LIONS or SINGAPORE SLINGERS). This understanding of what the words mean may influence how the stylised graphic device element is perceived and interpreted. Would taking into account these facets of “extrinsic” consumer knowledge run contrary to the seemingly strict “mark-for-mark without consideration of any external matter” mark-similarity assessment approach demanded by the Court of Appeal?

48 I would think not. The reminder from the Court of Appeal in *Staywell* at [20] was directed primarily at making a conceptual distinction between the “issue of *resemblance* between competing marks” and the “question of the *effect* of such resemblance”, where external considerations “relating to weight and importance of each aspect of similarity having regard to the goods” should only be factored at the confusion stage of the inquiry rather than at the marks similarity stage of the inquiry. Taking into account the knowledge of the average consumer for the purposes of determining how the components of a particular mark are perceived, interpreted and understood would not jeopardise this conceptual distinction. In fact, having regard to the knowledge of the average consumer is indispensable in order to accurately identify and understand *what* is seen or understood by the average consumer (for the purposes of assessing visual similarity), *how* words are pronounced or heard by the average consumer (for the purposes of assessing aural similarity) and *what* connotations are conjured up in the mind of the average consumer perceiving the mark (for the purposes of assessing conceptual similarity).

Visual Similarity of Marks

49 In assessing the similarity between the Application Mark and the Opponent’s Marks, the comparison exercise will be carried out based on my findings above that there is no dominant component in the Application Mark, while the Opponent’s Claw Device, that has been registered on its own as a pure device mark, is also the dominant component of the Opponent’s Composite Mark. This means that the Application Mark should be considered in its entirety, as a composite mark, and compared against the Opponent’s Claw Device (set out below purely for ease of reference) to determine if they are visually similar or dissimilar.

⁶ The Singapore courts have described the average consumer in Singapore as “literate, educated, exposed to the world and unlikely to be easily deceived or hoodwinked”. See *Festina* at [80], citing *McDonald’s Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 at [64]).

| Applicant's Application Mark | Opponent's (Earlier) Claw Device Mark (and dominant component of its earlier Composite Mark) |
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50 Viewed at as a whole, it is my view that the Application Mark is dissimilar to the Opponent's Claw Device Mark. The Application Mark is circular in shape with a smooth perimeter, whereas the Opponent's mark is an asymmetrical three-pronged claw with jagged edges. While the word element "TORONTO RAPTORS" in the Application Mark is featured in bold lettering in white, against a strongly contrasting dark background, no such (or any) wording is found in the Opponent's mark. The combination of the circular shape of the Application Mark and the word element, which the average consumer may either recognise as the name of a basketball team playing in the NBA league or, at the very least, to be the name of a sports team, provides an important context in which the stylised graphic device element in the centre of the Application Mark is likely to be understood. Based on this combination of elements in the composite mark, the average consumer is likely to understand that the circular shape within the composite mark alludes to a basketball with its contoured ribs merged with what appears to be a tapering three-pronged claw, thereby perceiving the image as a set of claws gripping a basketball. This basketball component is completely absent in the Opponent's mark.

51 The Opponent argues that the comparison between the marks in the visual similarity assessment inquiry should focus on the "dominant" graphic device element of the Application Mark – the so-called "Applicant's Claw Device" – because "the accompanying words "TORONTO RAPTORS" in the Application Mark are of negligible significance" (OWS at [22]). For the reasons already given above, I am unable to agree that the average consumer would look at the Application Mark in such a blinkered way.

| Applicant's Claw Device from the Applicant's Application Mark | Opponent's (Earlier) Claw Device Mark (and dominant component of its earlier Composite Mark) |
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52 Even if the comparison exercise is carried out focusing on the Applicant’s Claw Device and the Opponent’s Claw Device Mark, it is my view that that the two graphical images are still more dissimilar than similar. Stripped of the surrounding words “TORONTO RAPTORS”, I am of the view that it is *less* likely for the average consumer to perceive the image of a claw in “Applicant’s Claw Device”. The stylised nature of the graphic device element in the Application Mark lends itself to multiple possible interpretations – some might still see the basketball-claw image described earlier, but it is equally possible for others to see a watermelon, a three-river drainage basin or, if one were to focus on the negative space around the three jagged prongs, a leaf with palmate lobes.

53 I am unable to agree with the Opponent’s argument that “[t]he Applicant’s Claw Device replicates the very features that have rendered the Claw Device Mark so distinctive and iconic, namely the **three prongs** of the claw as well as the **jagged edges** resembling the slashing or ripping effect of an animal’s claw” (OWS at [22]). Even if some customers immediately see a three-pronged claw in the Application Mark, a *similarity of subject matter alone* cannot be sufficient to establish visual similarity for the purposes of trade mark opposition proceedings. Just as copyright law protection requires the allegedly infringing work to reproduce authorial *expression* rather than just mere *ideas*, trade mark law protection requires more than just a passing resemblance between the Application Mark and the earlier registered trade marks before visual similarity is established. This was the point made by the Court of Appeal in *Staywell* (at [16]-[19]) when it rejected the “minimal threshold approach” to mark-similarity when applying Section 8(2)(b), as summarised above in *Step 1(ii)*.

54 There are numerous visual differences between the graphic details of the Opponent’s Claw Device Mark and the Applicant’s Claw Device. The Opponent’s three-pronged claws have a clear vertical orientation, while the Applicant’s claw image is diagonal in a southwest-northeast direction. The Opponent’s mark consists of three elongated prongs with jagged edges running nearly parallel to each other, while the claw in Applicant’s graphic device element consist of three shorter and more thickset prongs converging along the contoured ribs of a spherical object. The Opponent’s Claw Device Mark resembles the *claw mark* left behind on a surface scratched by a three-clawed beast, whereas the graphical device in the Application Mark depicts the *claw* of a beast, presumably a velociraptor.

55 While the average consumer with imperfect recollection may not scrutinise all the individual details of the Application Mark, there are enough obvious visual differences between it and the Opponent’s Claw Device Mark to distinguish them from each other. In my judgment, the Application Mark and the Opponent’s Marks are visually dissimilar.

Aural Similarity of Marks

56 Whether there is any aural similarity between the Application Mark and the Opponent’s Marks requires a comparison to be made between the syntax and syllables of the textual elements of each mark. As the Opponent’s Claw Device Mark has no textual elements, there are no aural elements to be compared against the words found in the Application Mark, a composite mark which incorporates “TORONTO RAPTORS”. As far as the Opponent’s Composite Mark is concerned, the absence of

any commonality between its word component (“MONSTER ENERGY”), and the word component of the Application Mark (“TORONTO RAPTORS”) means that there is no aural similarity between these marks. In its written submissions, the Opponent did not submit that the Application Mark and the Opponent’s Earlier Marks are aurally similar (OWS at [30]). It follows that the Opponent has not established any aural similarity between the Application Mark and the Opponent’s Marks.

Conceptual Similarity of Marks

57 Assessing any conceptual similarity between the marks requires an analysis into the ideas that lie behind and inform the understanding of the mark as a whole, bearing in mind that the idea connoted by each component of the mark might be very different from the sum of its parts (*Staywell* at [35]).

58 According to the Opponent, its Claw Device Mark “depicts a three-pronged claw mark with jagged, uneven edges, resembling the slashing or ripping effect of a monster’s claw”, where the “underlying concept is therefore that of a monster slashing or ripping with great energy”, a concept which is reinforced by the words “MONSTER ENERGY” in its Composite Mark (OWS at [27]). The Opponent argues that the Application Mark conveys a similar concept because its graphic device element consists of a “three-pronged device with jagged edges resembling the slashing effect and ripping effect of an animal’s claw” which is reinforced by the presence of the word “RAPTORS” (OWS at [28]).

59 The Applicant submitted that the presence of shared concepts in the Application Mark and the Opponent’s Marks does not necessarily mean that there is conceptual similarity between them. It argued that “[a] shared connotation can be eclipsed by a dissimilar, more primary concept” (AWS at [29]), so even if there were connotations of “slash marks” associated with the Application Mark, such connotations would be “immediately and strongly overshadowed by the idea of raptor dinosaurs, the city of Toronto, and the sport of basketball, none of which are present in any of the Opponent’s Marks” (AWS at [33]).

60 Viewed holistically, the Opponent’s Claw Device Mark and Composite Mark convey the general idea of an unidentified feral creature whose three-pronged claw has produced a jagged scar, marking its territory with a dreadful demonstration of its power. It conjures up connotations of the supernatural, conveying menacing undertones typically associated with the horror genre. In contrast, the depiction of the claw in the Application Mark is likely to convey more specific, and closely inter-related, ideas to the average consumer, who is likely to understand the wording “TORONTO RAPTORS” to be the name of a sports team. The average consumer looking at the Application Mark is likely to think of a velociraptor’s claw gripping a basketball, the predatory vigour of the team players and perhaps the occasionally vicious nature of the competition between rival teams. The concept of aggression evoked by the Application Mark is inextricably tied to a particular sporting context. In short, the primary concept underlying the Opponent’s Marks is the idea of a mysterious and menacing creature, while the primary concept underlying the Application Mark is the athletic prowess of a specific basketball team. As such, I would conclude that these marks are conceptually dissimilar.

Conclusion on Similarity of Marks

61 While accepting the Opponent’s submission that its Claw Device Mark is the distinctive and dominant component of its Composite Mark, but rejecting its submission that the graphic device element in the Application Mark should be regarded as the dominant component of the Applicant’s Mark, I have compared the Opponent’s Claw Device Mark against the whole Application Mark to determine if they are similar for the purposes of Section 8(2)(b) of the Act. Since I have found that the marks are visually and conceptually dissimilar, and there is no evidence to indicate that these marks are aurally similar, it follows that the Application Mark is *not similar* to the Opponent’s earlier registered trade marks.

Conclusion on Section 8(2)(b)

62 Given that the threshold requirement of mark-similarity has not been established, the ground of opposition under Section 8(2)(b) therefore fails.

63 My conclusion on the absence of similarity between the competing marks means that it is unnecessary for me to proceed with Step 2 or Step 3 of the analytical framework for Section 8(2)(b). Nevertheless, in relation to Step 2, I would have found that the respective goods and services to which the competing marks were applied were indeed identical in some cases, and similar in other cases. The clearest examples would have been items like sunglasses (Class 9), printed matter and publications (Class 16), and clothing (Class 25). In relation to Step 3, I would have hesitated to find a likelihood of consumer confusion because, as I have explained earlier, average consumers in Singapore would have some general knowledge that would enable them to understand that the Application Mark relates to a basketball team, or some kind of sports team, even if they were unfamiliar with TORONTO RAPTORS as a specific NBA team. Bearing in mind that the likelihood of confusion inquiry in trade mark opposition proceedings must consider all notional fair uses of the Application Mark, the specifications of the trade mark application should be the starting point to determine the kinds of goods or services to which the Application Mark is potentially going to be applied; this would, in turn, enable us to identify the “likely characteristics of the relevant customers and whether they would or would not tend to apply care or have specialist knowledge in making the purchase” (*Staywell* at [96(b)]). The underlined parts of the Application Mark’s specifications indicate a significant nexus to basketball-related products, services and merchandising. In my view, the “average consumer” in this case should be someone with at least some awareness of, or familiarity with, the sport. This “average consumer” is unlikely to be confused into thinking that goods or services bearing the Application Mark are supplied by the Opponent. Taken together with the various distinguishing features observable between the competing marks, the likelihood of average consumers confusing the Application Mark with the Opponent’s earlier trade marks, or assuming an economic linkage between the proprietors of these marks is, in my view, very low.

Grounds of Opposition under Section 8(4)(b)(i) and 8(4)(b)(ii)

64 The Opponent also sought to oppose the registration of the Application Mark on the grounds set out in Section 8(4)(b) of the Act. Section 8(4)(b)(i) is available if the Opponent’s earlier trade marks are “well known in Singapore”, while Section

8(4)(b)(ii) is available to earlier trade marks that are “well known to the public at large in Singapore”.

65 Section 8(4)(b) 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.

Similarity of Marks

66 As an initial threshold requirement for both limbs of Section 8(4)(b), the Opponent must show that “the whole or essential part of the [Applicant’s] trade mark” is “identical with or similar to” a well known earlier trade mark. Even though the relevant wording of Section 8(4)(b) is different from that found in Section 8(2)(b), it is clear that the same mark-similarity analysis carried out above in the context of the latter provision applies to the former provision as well. This was the position taken by the Singapore High Court in *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] SGHC 216 at [146].

67 For the same reasons I have given above in the mark-similarity analysis under Section 8(2)(b), I am of the view that neither the whole, nor any essential part of, the Application Mark is similar to the Opponent’s earlier trade marks. Given that the initial threshold of mark-similarity has not been met, there is no need for me to address the remaining elements of Sections 8(4)(b)(i) and 8(4)(b)(ii). However, as the Opponent has submitted voluminous bundles of evidence to support its assertion that its earlier trade marks are well known in Singapore, and well known to the public at large in Singapore, I shall make just three observations on this issue.

Observations About Whether the Opponent’s Earlier Trade Marks Are Well Known, or Well Known to the Public at Large, in Singapore

68 The Opponent’s SD was accompanied by more than 1200 pages of exhibits to support its assertion that its Claw Device Mark and Composite Mark deserved the status of being regarded as “well known in Singapore” or “well known to the public at large in Singapore”. Given the more generous scope of legal protection conferred upon well known trade marks under Section 8(4)(b) of the Act, where it is not necessary to show similarity between the goods and services of the Opponent and the Applicant, it is imperative that the Opponent tenders sufficient evidence to support its case – recognising that the threshold for a trade mark to be regarded as well known in Singapore is not a low one, as the Court of Appeal has reminded us in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] SGCA 30 at [102]. In my view, the quantity of evidence tendered by the Opponent was not commensurate with its quality.

69 In this case, the onus is on the Opponent to show that, on the relevant date (16 December 2014, the date of the application to register the Application Mark), the Opponent’s earlier trade marks were either well known in Singapore or well known to the public at large in Singapore. To achieve the status of a well known trade mark, it is not enough to demonstrate that the public has been *exposed* to that trade mark. One needs to show (or persuade a tribunal to infer) that *enough* of the public is *aware* of and, indeed, *recognise* the trade mark before it can be considered well known, or well known to the public at large. I am not convinced that the Opponent has discharged this burden for the following reasons.

70 Firstly, in relation to the numerous media reports, photographs and screen-grabs from websites linked to sporting activities and entertainment events sponsored by the Opponent, there was very little evidence of the extent to which the Opponent’s earlier trade marks were *actually* exposed to the Singapore public via the media or internet. The “relevant sector of the public” identified by the Opponent, for the purposes of establishing the well known status of its marks as required by Section 8(4)(a) read with Section 2(8), (9), is the “actual and potential consumers of energy drinks in Singapore” (OWS at [65]). It is not clear from the evidence how many of the internet users in Singapore who have accessed such online content that features the Opponent’s Marks are actual or potential consumers of energy drinks. This was an astute observation made by the Hearing Officer in *Monster Strike* at [153].

71 Secondly, the evidence submitted by the Opponent relating to its sales of energy drinks, and its associated advertising and marketing activities, in Singapore lacked precision. For instance, the Opponent submitted that 4.7 million cans of MONSTER energy drinks bearing its earlier registered trade marks, amounting to US\$4.2 million in sales revenue, were sold in Singapore between October 2012 and March 2016 (Opponent’s SD at [25]). Similarly, the Opponent’s evidence that it had spent more than US\$2.2 million in marketing and promotional activities in Singapore to promote its energy drinks was for the period between October 2012 and March 2016 (Opponent’s SD at [39]). This information was unhelpful to the determination of whether the Opponent’s earlier registered trade marks were well known *on the relevant date* – 16 December 2014. The evidence submitted on the market share of the Opponent’s energy drinks was also unhelpfully vague (Exhibit “RCS-4” of the Opponent’s SD), baldly asserting that:

... the market share (by dollar value) for MONSTER energy drinks in certain markets in Singapore as of October 2014 was as follows:

- (i) in the Total Modern trade channel – 15.7%;
- (ii) in 7-Eleven stores only – 22.5%;
- (iii) in Total Petrol Marts/Convenience Stores trade channel – 22.5 %; and
- (iv) in the Total Supermarket trade channel – 5.9%

72 These figures did not reveal how the relevant markets were defined (e.g. whether they consisted only of other brands of energy drinks or included other non-energy drink products as well) and how the figures were arrived at. An undertaking with a substantial and persistent share of the Singapore energy drinks market might certainly have an arguable case that its trade marks should be regarded as well known in Singapore. However, this would have required evidence of a much higher quality than that submitted by the Opponent in this case.

73 Thirdly, the evidence submitted by the Opponent relating to the degree of consumer exposure to the Opponent’s energy drink products bearing its earlier registered trade marks in retail stores was frustratingly nebulous. All that was evinced by the Opponent was that, in Singapore, its energy drinks were “sold in retail stores, gas stations and other outlets such as drug stores and on-premise” (Opponent’s SD at [28]). The Opponent gave no particulars about the geographical distribution or number of these sales outlets, nor did it indicate the amount of shelf space occupied by the Opponent’s products in these sales outlets.

74 If the Opponent wishes to invoke Section 8(4)(b), it must not only show a high level of *exposure* of its earlier trade marks (whether on its products or in other contexts, online or offline), but also demonstrate a high level of consumer *recognition, familiarity or awareness* of such marks before they can be regarded as well known, or well known to the public at large, in Singapore. This is obviously not an easy feat, but doing so unlocks a higher level of trade mark protection not available to ordinary trade marks.

Conclusion on Section 8(4)(b)

75 The opposition on the basis of the grounds under Section 8(4)(b) therefore fails without the need to consider the types of likely harm to the trade mark proprietor under (i) and (ii) of the provision. I am of the view that the evidence tendered by the Opponent falls short of what is expected of a trade mark proprietor seeking to show that its trade marks deserve the elevated status of “well known” trade marks.

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

76 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 —

(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.

The Tort of Passing Off

77 The opposition to trade mark registration on this ground requires the Opponent to establish the elements of the tort of passing off – the existence of goodwill, an operative misrepresentation and the infliction of damage. This is the “classical trinity” of criterion articulated by the Singapore Court of Appeal in *The Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2016] SGCA 25 and *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] SGCA 33.

78 Even though the sale of the Opponent’s energy drinks in Singapore would easily satisfy the requirement of goodwill, the Opponent faces an insurmountable obstacle as far as the misrepresentation element is concerned. An operative misrepresentation, within the context of this trade mark opposition hearing, hinges on the similarity between the Application Mark and the Opponent’s earlier trade marks. Indeed, the Opponent submitted that the Application Mark should not be registered because the Applicant’s subsequent use of this mark, “as an identifier which is highly similar to the Opponent’s Earlier Trade Marks would cause the relevant public to believe that the Applicant’s goods and services are those of or connected with the Opponent, when this is not the case” (OWS at [127]).

79 As I have found that the Application Mark is dissimilar to the earlier registered trade marks belonging to the Opponent, the Applicant cannot be regarded as making a misrepresentation for the purposes of the tort of passing off through the use of the Application Mark in Singapore.

80 I am also of the view that the Opponent has not sufficiently substantiated its claim that the use of the Application Mark on the Applicant’s goods would run a real risk of damaging the Opponent’s goodwill, either in terms of a diversion of sales (since the Applicant is not in the business of energy drinks) or a restriction on the Opponent’s ability to expand into an adjacent field of business.

Conclusion on Section 8(7)(a)

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

Overall Conclusion

82 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 considered above. The Applicant is also entitled to costs to be taxed, if not agreed.

83 While the vigilant trade mark proprietor may, instinctively, feel threatened by the subsequent efforts of third parties to register new marks that bear some resemblance to its earlier trade mark, the pursuit of trade mark opposition proceedings must be bridled by the specific legal requirements set out in the relevant statutory provisions of the Act. The common basic criterion in all these grounds of opposition is that there must be identity or similarity between the competing marks. The mark-similarity threshold is thus a leash that circumscribes the ambit of the territory to which the trade mark proprietor can claim as its own, the length of which corresponds to the strength of the

trade mark (i.e. its distinctiveness and whether it is well known). Before choosing to go on the offensive against these perceived threats, a trade mark proprietor may benefit from having a keener self-awareness of the limits created by this legal tether and rein in his impulses accordingly.

Date of Issue: 5 September 2018

[The appeal from this decision to the High Court was dismissed.]