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

Trade Mark No. T1319676J-01 16 October 2018

### IN THE MATTER OF A TRADE MARK APPLICATION BY

# APPLE INC.

#### **AND**

# OPPOSITION THERETO BY

# SWATCH AG (SWATCH SA) (SWATCH LTD)

Hearing Officer: Ms Sandy Widjaja

Principal Assistant Registrar of Trade Marks

Representation:

Ms Vithyashree and Mr Ho Jia Hui (Ella Cheong LLC) for the Opponent

Ms Eunice Maaland (Drew & Napier LLC) for the Applicant

# **GROUNDS OF DECISION**

1 First it was the "smart phone". Now it is the "smart watch". It is clear that "smart gadgets" are permeating our lives.

2 In the instant dispute, the subject mark, T1319676J-01 "IWATCH" ("Application Mark") was sought to be registered by Apple Inc. (the "Applicant") for the following goods in Class 9:

### Class 9

Computer software; security devices for computer software and hardware; monitors and monitoring devices, namely, physiological monitoring apparatus (other than for medical use) for health, exercise, and fitness; cameras; computers; computer hardware; computer peripherals; wireless communication devices; radios; audio and video devices; global positioning system devices; accessories, parts, components, and cases for all of the foregoing goods.

At the outset, it should be mentioned that registration is not sought in respect of "smart watches." 1

The Application Mark was accepted and published on 13 May 2016 for opposition purposes. The Opponent filed its Notice of Opposition to oppose the registration of the Application Mark on 27 July 2016. The Applicant filed its Counter-Statement on 24 November 2016. The Opponent filed evidence in support of the opposition on 30 June 2017. The Applicant filed evidence in support of the application on 16 October 2017. The Opponent filed its evidence in reply on 16 January 2018. A Pre-Hearing Review (PHR) was conducted on 13 February 2018 and the matter was ultimately set down for a hearing on 16 October 2018.<sup>2</sup>

# **Grounds of Opposition**

4 The Opponent relies on Sections 8(2)(b), 8(4) and 8(7)(a) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (the "Act") in this opposition.

### **Opponent's Evidence**

- 5 The Opponent's evidence comprises the following:
  - (i) statutory declaration of Laurent Potylo, Head of Trademark and Designs with the Opponent, dated 19 May 2017 ("Opponent's 1st LP SD");
  - (ii) statutory declaration of Gonzalo Miguel De Cevallos Escribano, Chief Operating Officer and Vice President with the Opponent dated 23 May 2017 ("Opponent's 2<sup>nd</sup> GMCE SD"); and

<sup>&</sup>lt;sup>1</sup> See further the discussion below under the heading of "Similarity of Goods."

<sup>&</sup>lt;sup>2</sup> There was some delay between the first PHR and the ultimate hearing date as parties attempted to negotiate. The Registrar ultimately set the matter down for hearing as there were no active negotiations (Registrar's letter of 13 July 2018).

(iii) statutory declaration of Laurent Potylo, dated 10 January 2018 ("Opponent's 3<sup>rd</sup> LP SD");

# **Applicant's Evidence**

The Applicant's evidence comprises the statutory declaration of Thomas R La Perle,<sup>3</sup> dated 4 October 2017 ("the Applicant's SD").

# **Applicable Law and Burden of Proof**

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

### Background

- 8 The Opponent deposed that it is one of the subsidiaries of the internationally renowned Swatch Group which collectively owns a number of "well-known" brands for Swiss watches, including SWATCH, OMEGA, TISSOT, LONGINES and RADO. The Swatch Group is a world leader in the watch industry, with distribution subsidiaries worldwide, including in Singapore ([3] of the Opponent's 2<sup>nd</sup> GMCE SD).
- 9 The Opponent's products were first launched in 1983 and have since gone on to become successful worldwide due to, *inter alia*, the technological innovation and the fascinating, colourful and exciting designs found in the Opponent's products ([4] of the Opponent's 2<sup>nd</sup> GMCE SD).
- The Applicant deposed that the original applicant was Brightflash USA LLC ("Original Applicant"). The Original Applicant was an affiliate of the Applicant and it was formed on 27 June 2012 to serve as applicant and owner of the IWATCH trade mark. The Original Applicant and the Applicant have been in a licensor-licensee relationship in relation to the IWATCH trade mark portfolio since 5 June 2013. The license is exclusive and worldwide. The Application Mark was assigned to the Applicant on 28 August 2017<sup>5</sup> ([10] of the Applicant's SD).

### MAIN DECISION

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

11 Section 8(2)(b) provides as follows:

<sup>&</sup>lt;sup>3</sup> The evidence does not state the position of the deponent with the Applicant (page 1 of the Applicant's SD).

<sup>&</sup>lt;sup>4</sup> As per [3] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>5</sup> See the assignment document at TRLP-2 of the Applicant's SD.

- 8(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.

In addition, the definition of an earlier mark is provided in section 2 of the Act:

2.—(1) In this Act, unless the context otherwise requires —

"earlier trade mark" means —

- (a) a registered trade mark or an international trade mark (Singapore), the application for registration of which was made earlier than the trade mark in question, taking account (where appropriate) of the priorities claimed in respect of the trade marks; or
- (b) a trade mark which, at the date of application for registration of the trade mark in question or (where appropriate) of the priority claimed in respect of the application, was a *well known trade mark*,

and includes a trade mark in respect of which an application for registration has been made and which, if registered, would be an earlier trade mark by virtue of paragraph (a) subject to its being so registered;

"well known trade mark" means —

- (a) any registered trade mark that is well known in Singapore; or
- (b) any *unregistered trade mark that is well known in Singapore* and that belongs to a person who
  - (i) is a national of a Convention country; or
  - (ii) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in Singapore.

[Emphasis in italics mine]

Decision on Section 8(2)(b)

*Step-by-step approach* 

- 12 In Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc [2014] 1 SLR 911 ("Staywell"), the Court of Appeal re-affirmed the 3-step test approach in relation to an objection under Section 8(2)(b) (see [15] and [55]):
  - (i) The first two elements namely similarity or identity of the marks and similarity or identity of the goods / services are assessed individually before the final element which is assessed in the round.
  - (ii) Once the two threshold requirements have been met, the issue of the likelihood of confusion arises and the tribunal / court is directed to look at (a) *how* similar the marks are, (b) *how* similar the goods / services are, and (c) given this, how likely the relevant segment of the public will be confused.

# Similarity of Marks

- 13 The law in relation to this issue is as follows (*Staywell* at [15] to [30]):
  - (i) The three aspects of similarity (i.e. visual, aural and conceptual similarities) are meant to guide the court's inquiry. Trade-offs can occur among the three aspects of similarity.
  - (ii) Technical distinctiveness is an integral factor in the marks-similarity inquiry. A mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it.
  - (iii) While the components of a mark may be inherently technically distinctive, ultimately the ability of the mark to function as a strong badge of origin must be assessed by looking at the mark as a whole. Conversely, the components of a mark may not be inherently distinctive, but the sum of its parts may have sufficient technical distinctiveness.
  - (iv) When speaking of the assessment of a mark as a whole, the visual, aural or conceptual similarity of the marks in question must be based on the overall impression given by the marks, bearing in mind, in particular, their distinctive and dominant components.
  - (v) The similarity of marks is ultimately and inevitably a matter of impression rather than one that can be resolved as a quantitative or mechanistic exercise. The court must ultimately conclude whether the marks, when observed in their totality, are similar or dissimilar.
  - (vi) The assessment of marks similarity is mark-for-mark without consideration of any external matter.

- 14 Further, the Court of Appeal provided in *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 at [40(c)] and [40(d)] ("*Hai Tong*"):
  - [40(c)] The relevant viewpoint is that of the average consumer who would exercise some care and a measure of good sense in making his or her purchases, not that of an unthinking person in a hurry.
  - [40(d)] It is assumed that the average consumer has "imperfect recollection" such that the two contesting marks are not to be compared or assessed side by side (and examined in detail). Instead, the court will consider the general impression that will likely be left by the essential or dominant features of the marks on the average consumer.
- 15 The Opponent relies on the following earlier marks (collectively, *Opponent's Earlier Marks*) ([9] of the Opponent's written submissions ("OWS")):

S/N	Opponent's Earlier	Class	
	Registered Marks <sup>6</sup>		
	Opponent's Earlier Registered SWATCH Marks		
1	<b>SWatch</b> T8703201Z	Class 9	
		Optical and sunglasses, spectacle-frames, cases and chains; telecommunication, transmission, receiving, recording and reproducing of data of all kinds apparatus, such as radio, telephone, television apparatus.	
2	SWATCH	<u>Class 14</u>	
	Swatch T8703202H	Horological and chronometric apparatus and instrument; parts and fittings for all the aforesaid goods; all included in Class 14.	
3	<b>SWatch</b> T0301833I	Class 14 Goods in precious metals or coated therewith, not included in other classes; jewellery, semi-precious stones; horological and chronometric instruments	
4	Swatch T0204980Z	Class 14  Precious metals and their alloys and goods in precious metals or coated therewith (excluding cutlery);	

<sup>&</sup>lt;sup>6</sup> At the hearing, the Opponent confirmed that it is not relying on 40201511320S as it is not an earlier mark having regard to its application date of 11 June 2015. While the date of application of the Application Mark is 5 December 2013, the Opponent claimed a priority date of 5 June 2013.

		jewellery, precious stones; clocks and watches and other chronometric instruments.
	Opponent's	Earlier Registered ISWATCH Mark
5	<b>1∕5Watch</b> T0807434B	Class 14  Precious metals and their alloys and goods in precious metals or coated therewith not included in other classes, jewellery, precious stones; horological and chronometric instruments.  Class 35  Retail services in relation to horological products and jewellery; retail services via global networks of computer (Internet) in relation to horological products and jewellery.  Class 37  Repair and maintenance of horological products and jewellery.

In addition, the Opponent is also relying on its unregistered marks as well ([8] OWS):

[8] The Opponent is the registered proprietor and the *owner at common law of the trade marks "SWATCH"* (various iterations of which include but are not limited to "SWATCH" (various iterations of which include but are not limited to "SWATCH") (the "Opponent's Marks") in respect of goods and services in several Classes. The Opponent's Marks have been accepted and registered in many jurisdictions around the world.

# [Emphasis in italics mine].

- 17 The significance of the Opponent's reliance on its unregistered marks, despite the (long list of) *Opponent's Earlier Registered Marks* is that, unlike the *Opponent's Earlier Registered Marks*, the Opponent's unregistered marks are simply "SWATCH" and ISWATCH" sans any design (that is, they are *plain word marks*).
- 18 Critically, the question is whether the Opponent's unregistered "SWATCH" and "ISWATCH" mark is respectively an *unregistered trade mark that is well known in Singapore* as at the date the Application Mark was sought to be registered, that is, 5 December 2013 ("*Relevant Date*").

*Unregistered marks that are well known in Singapore?* 

# 19 Section 2(7) of the Act states:

Subject to subsection (8), in deciding, for the purposes of this Act, whether a trade mark is well known in Singapore, it shall be relevant to take into account any matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:

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

### Section 2(8) of the Act reads:

Where it is determined that a trade mark is well known to *any relevant sector of the public in Singapore*, the trade mark shall be *deemed* to be well known in Singapore

### Section 2(9) states:

In subsections (7) and (8), "relevant sector of the public in Singapore" includes *any* of the following:

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

### [Emphasis in italics mine]

- 20 The provisions have been the subject of further exposition by the Courts:
  - (i) Section 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore. This because Section 2(8) of the Act *deems* a trade mark to be well known in Singapore where it is determined to be well known to *any* relevant sector of the public in Singapore (see [139] of *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] SGCA 13 ("*Amanresorts*")).
  - (ii) Aside from Section 2(7)(a) of the Act, the court is ordinarily free to disregard any or all of the factors listed in Section 2(7) as the case requires and to take additional factors into consideration (*Amanresorts* at [137]).
  - (iii) In relation to Section 2(8) of the Act, the Court of Appeal in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 clarified that:

[101] ...we said in *Amanresorts* that it is "not too difficult" for a trade mark to be regarded as well known in Singapore<sup>7</sup>...

[102] We do not think that this comment in *Amanresorts* was made to lay down a general principle...the context of this comment was the desire to clarify that, in order for a mark to be well known in Singapore, the relevant sector to which a mark must be shown to be well known can be any relevant sector of the Singaporean public, and this sector need not be large in size. Beyond this, it should not be read as suggesting (more generally) that the threshold for a trade mark to be regarded as well known in Singapore is a low one.

### [Emphasis in italics mine]

- (iv) Last but not least, with regard to the ambit of Section 2(9)(a),<sup>8</sup> the inquiry is into the specific goods or services to which the Opponent's trade mark has been applied ([152] *Amanresorts*).
- 21 The Opponent submitted at [12] and [77]<sup>9</sup> OWS:
  - [12] ...the Opponent is one of the subsidiaries of the internationally renowned Swatch Group, which is a world famous leader in the watch industry. The Opponent

<sup>&</sup>lt;sup>7</sup> The Court of Appeal in *Amanresorts* commented that it is *not too difficult* for a trade mark to be regarded as "well known in Singapore" since the trade mark in question need only be recognised or known by "any relevant sector of the public in Singapore" which could in certain cases be *miniscule* ([229] *Amanresorts*).

<sup>&</sup>lt;sup>8</sup> Correspondingly, sections 2(9)(b) and (c).

<sup>&</sup>lt;sup>9</sup> In the context of the objection under section 8(4)(i).

has over the years built up substantial and valuable goodwill and reputation in the Opponent's Marks...

[77] The Opponent's marks are well-known to the public at large by virtue of the extensive registrations, usage, marketing, promotion and advertising, as already discussed at *paragraph 12* above...

# [Emphasis in italics mine]

- 22 The Opponent deposed at [8] [14] Opponent's 2<sup>nd</sup> GMCE SD:<sup>10</sup>
  - [8] The Opponent has 21 retail stores located throughout Singapore in which the Opponent's products are sold under the Opponent's marks. The addresses of these retail stores are as follows:

S/N	Description		
1	Raffles City Shopping Centre, #01-41, 250 North Bridge Road, Singapore		
	179101		
2	Plaza Singapura, #B1-27, 68 Orchard Road, Singapore 238839		
3	Junction 8 Shopping Centre, #01-13, 9 Bishan Place, Singapore 579837		
4	Bugis Junction, #01-16, 230 Victoria Street, Singapore 188024		
5	Jurong Point, #01-60, 63 Jurong West Central 3, Singapore [648331]		
6	Ion Orchard, #B2-37, Orchard Turn, Orchard Road, Singapore 238868		
7	JEM, #02-32A, 50 Jurong Gateway Road, Singapore 608549		
8	Suntec City, #01-322, 3 Temasek Boulevard, Singapore 038983		
9	NEX, 23 Serangoon Central, Singapore 556083		
10	The Shoppes at Marina Bay Sands, #B2-105, 2 Bayfront Avenue, Singapore		
	018972		
11	Orchard Gateway, 277 Orchard Road, Orchard Gateway, Singapore 238858		
12	One Raffles Place, #01-15, Singapore 048616		
13	Takashimaya, 391 Orchard Road, Singapore 238873		
14	Gassan T1 Central, Changi Airport, 80 Airport Boulevard, Singapore		
	819642		
15	DFS Galleria Scottswalk, 25 Scotts Road, Singapore 228220		
	DFS Changi Depart T2, Changi Airport Terminal 2 Departure/Transit Hall		
	(North), Singapore 918142		
16	Wear & When, Valiram Resort World Sentosa, 26 Sentosa Gateway, #02-		
	105, Singapore 098138		
18	Timewise by Cortina Watch, Wisma Atria Shopping Centre, 435 Orchard		
	Road, Singapore 238877		
19	Shilla Duty Free, Terminal 3 South, Changi Airport, 65 Airport Boulevard,		
	Singapore 819663		
20	Shilla Duty Free Terminal 3 North, Changi Airport, 65 Airport Boulevard,		
	Singapore 819663		

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As referred to at [12] OWE

<sup>&</sup>lt;sup>10</sup> As referred to at [12] OWS.

21	Tampines Mall, #01-K3, 4 Tampines Central 5, Singapore 529510
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[9] Between the years 2008 to 2013, the Opponent's approximate annual sales in Singapore for SWATCH watches were as follows:

S/N	Year	Sales (CHF) Approx.
1	2008	8,400,000
2	2009	6,800,000
3	2010	6,500,000
4	2011	4,500,000
5	2012	7,000,000
6	2013	7,500,000

There is now collectively produced and marked Exhibit GMCE-2 sample copies of invoices for goods under the Opponent's Marks, namely SWATCH and ISWATCH products issued by the Opponent to The Swatch Group S.E.A. (S) Pte Ltd ("SWATCH SEA") between 2008 to 2013...

[10] Further, the Opponent's products bearing the Opponent's Marks have been marketed in numerous countries and regions worldwide. Such products have been extensively promoted and published worldwide by various means, such as through online marketing, print media, outdoor advertising and partnerships with key arts and sports events.

[11] The Opponent has embraced the internet as a medium of communication and uses the domain address of http://www.swatchgroup.com/ as its corporate website. In addition, the Opponent has a country specific website for Singapore at https://www.swatch.com/ms\_sg/. There is now collectively produced and marked Exhibit GMCE-3 sample printouts from the above-mentioned websites which showcase the Opponent's Marks and the Opponent's products.

[12] In Singapore, the Opponent has dedicated substantial efforts and financial resources into promoting the Opponent's Marks. The Opponent's approximate annual advertising and promotional expenses in Singapore between 2008 and 2013 are as follows:

S/N	Year	Advertising and Promotional Expenses (CHF) Approx.
1	2008	750,000
2	2009	520,000
3	2010	540,000
4	2011	290,000
5	2012	550,000
6	2013	600,000

[13] The Opponent's products bearing the Opponent's Marks are routinely and heavily advertised and promoted in various forms of media in Singapore including

the Opponent's websites, a Singapore-specific Facebook page...outdoor and in-store displays as well as events and contests. The Opponent's products and Marks have also been reported on and discussed in the Singapore media. There is now collectively produced and marked as Exhibit GMCE-4 printouts from the Facebook page...along with copies of articles relating to the Opponent's products which were circulated in Singapore and sample catalogues for the Opponent's products.

[14] Aside from marketing the Opponent's Marks at the local level in Singapore, the Opponent also engages in broad-based marketing at the international level, through the Opponent's involvement and support of the arts and sports. The Opponent has collaborated with numerous famous artists, musicians and fashion designers over the years, including Keith Haring, Moby and the Blue Man Group, and has partnered with key international arts events such as the La Biennale di Venezia. Aside from the arts, the Opponent has also taken on official timekeeping roles and sponsorships for a wide range of high-visibility sporting events around the world including the Olympic Games. There is now produced and marked as Exhibit GMCE-5 a copy of an article...which outlines the Opponent's involvement and support of the arts and sports...

- The above is further buttressed by the following at [5] [7] of the Opponent's  $3^{rd}$  LP SD:
  - [5]...there is now collectively produced and marks Exhibit LP-9 more sample copies of invoices for goods under the Opponent's Marks...issued by the Opponent to **SWATCH SEA** as well as that issued by **SWATCH SEA** to customers in Singapore between 2008 to 2013.
  - [6]...it is not a bare assertion by the Opponent that there were advertising and promotional expenses in Singapore between 2008 to 2013. The expenditure and efforts in relation to the promotion of the Opponent's Marks are evidenced by the wide range of marketing activities, at both the local and international level, set out in [13] and [14] of the [Opponent's 2<sup>nd</sup> GMCE SD]. There is now annexed hereto at TAB 1 of Exhibit LP-10 more sample copies of marketing materials circulated in Singapore as well as further evidence of promotional activities and outdoor advertising in relation to the Opponent's Marks and products in Singapore from 1988 to 2011, including an image of a limited edition Swatch wristwatch specially created for and made available for sale during Singapore 2010 Youth Olympic Games.
  - [7] In any case, there are also annexed at TAB 2 of Exhibit LP-10 sample copies of invoices issued to **SWATCH SEA** by Maxus Communications Singapore, a media planning and buying company, and other documents in relation to the publication of advertising materials in Singapore from 2009 to 2011. These materials directly evidence the expenses incurred in relation to the advertising and promotion of products under the Opponent's Marks in Singapore.

# 24 The exhibits referenced above<sup>11</sup> are as follows:

S/N	Description	Comments
	GMCE-2 of the O	pponent's 2 <sup>nd</sup> GMCE SD
1	Sample invoices for goods under the Opponent's marks SWATCH and ISWATCH issued by the Opponent to SWATCH SEA <sup>12</sup> between 2008 – 2013. <sup>13</sup>	<ul> <li>(i) Out of all the invoices there are only a handful of references of ISWATCH. The mark which is reflected most in the invoices is SWCCO .14</li> <li>(ii) For the invoice dated 22 Oct 2012, there are only 10 pieces of ISWATCH watches amounting to CHF 494.00.15</li> <li>(iii) The two sale receipts dated 3 Nov 2012 and 25 Nov 2012<sup>16</sup> relate to ISWATCH.</li> <li>(iv) The invoice dated 6 Mar 2013 17 indicated that the goods are to be shipped to PT Mitra Adiperkasa Tbk in Indonesia although the billing address is New Golden Heritage Pte Ltd in Singapore. This suggests that the goods were not bound for Singapore.</li> </ul>
	GMCE-3 of the O	pponent's 2 <sup>nd</sup> GMCE SD
2	Printouts from the website	(i) Many of the excerpts are undated. 19
	http://www.swatchgroup.com/	(ii) The main excerpt which would appear to
	and	be relevant is a print out <sup>20</sup> as a result of
	https://www.swatch.com/ms_sg/	a search conducted for the period 1983 – 2013. <sup>21</sup> ISWATCH is reflected at pages
		128 and 129. Crucially, the mark as

<sup>&</sup>lt;sup>11</sup> As alluded to at [8] – [14] Opponent's 2<sup>nd</sup> GMCE SD and at [5] – [7] of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>12</sup> It is unclear if the goods as per the invoices all reached the consumer since *SWATCH SEA* is the Opponent's local entity. In terms of the receipts issued to the ultimate consumer, there are only a handful in the exhibit, some of which are dated after the *Relevant Date*. However, I am of the view that this is a non-issue having regard to the sales figures in Singapore as provided at [9] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>13</sup> See [9] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>14</sup> See for example the invoices on pages 19, 28 and 43 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>15</sup> See page 20 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>16</sup> See page 27 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>17</sup> See page 66 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>19</sup> For example:

<sup>(</sup>i) Pages 104 – 111 of the Opponent's 2<sup>nd</sup> GMCE SD which is a print out from the Opponent's Singapore website (the top of the print out indicates "Swatch® Singapore – Official website"). The first page makes reference to the *Swatch and Biennale Arte 2017*. Apart from this and the print out date of 15 May 2017, there are no other indications as to the date of the excerpt.

<sup>(</sup>ii) Pages 112 – 126 of the Opponent's 2<sup>nd</sup> GMCE SD is a print out in relation to the Opponent's collections in Singapore (the top of the print out indicates "Collections – Swatch® Singapore"). Again apart from this and the print out date of 15 May 2017, there is no other indication as to the date of the excerpt.

<sup>&</sup>lt;sup>20</sup> Again printed on 15 May 2017.

<sup>&</sup>lt;sup>21</sup> See pages 127 – 132 of the Opponent's 2<sup>nd</sup> GMCE SD.

	which showcase the Opponent's	reflected on the watch face of the
	Marks and products. 18	Opponent's "ISWATCH" series is
	Trains and products.	Swatch 22
	GMCE-4 of the O	pponent's 2 <sup>nd</sup> GMCE SD
3	Print out from Facebook page	(i) Again some pages are undated <sup>24</sup> while
	evidencing promotion in	others are dated after the <i>Relevant</i>
	Singapore, along with articles	<b>Date</b> . 25
	relating to the Opponent's	(ii) Importantly the marks are in the main,
	products which were circulated	SWATCH or Swatche 26
	in Singapore and sample	(iii) ISWATCH can be seen as part of the
	catalogues. <sup>23</sup>	2013 catalogue; <sup>27</sup> however, it is unclear
		if this catalogue was issued before or
		after the <b>Relevant Date</b> .
	GMCE-5 of the O	pponent's 2 <sup>nd</sup> GMCE SD
4	An article on the Opponent's	The date of the article is unclear. it would
	website outlining the	appear that the Opponent retrieved the article
	Opponent's involvement in the	from its archive in 2008; <sup>29</sup> however, the
	sports and arts. <sup>28</sup>	copyright notice of the article indicated the
		year 2015. <sup>30</sup>
	LP-9 of the O	pponent's 3 <sup>rd</sup> LP SD
5	Sample invoices issued by the	(i) The more commonly reflected marks are
	Opponent to <b>SWATCH SEA</b> and	swatche 32 and SWATCh 33
	by <b>SWATCH SEA</b> to customers	(ii) The invoice dated 21 Jun 2010 <sup>34</sup> has
	between 2008 – 2013. <sup>31</sup>	been "reversed"; this seems to suggest
		that it should be disregarded.
		(iii) There are only a handful of references
		to ISWATCH. 35
		WISWATCH.

<sup>&</sup>lt;sup>18</sup> See [11] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>22</sup> See page 129 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>23</sup> See [13] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>24</sup> See pages 169 – 171 of the Opponent's 2<sup>nd</sup> GMCE SD, although the print out date was 12 May 2017.

<sup>&</sup>lt;sup>25</sup> See page 185 of the Opponent's 2<sup>nd</sup> GMCE SD, which is a Straits Times article entitled *Swatch Collection fetches \$1.8m* dated 12 November 2015.

<sup>&</sup>lt;sup>26</sup> See for example, page 165 of the Opponent's 2<sup>nd</sup> GMCE SD which is an excerpt of the Opponent's Facebook page.

 $<sup>^{27}</sup>$  See pages 205 - 231 of the Opponent's  $2^{nd}$  GMCE SD.

<sup>&</sup>lt;sup>28</sup> See [14] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>29</sup> See page 233 of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>30</sup> See page 235 of the Opponent's 2<sup>nd</sup> GMCE SD; the print out date was 12 August 2015.

<sup>&</sup>lt;sup>31</sup> See [5] of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>32</sup> See pages 11 of the Opponent's 3<sup>rd</sup> LP SD (invoice dated 11 February 2008) and 16 of the Opponent's 3<sup>rd</sup> LP SD (invoice dated 11 November 2008).

<sup>&</sup>lt;sup>33</sup> See pages 20 (invoice dated 9 March 2009), 24 (invoice dated 6 July 2009) and 28 (invoice dated 19 April 2010) respectively of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>34</sup> See page 35 of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>35</sup> See for example at page 57 of the Opponent's 3<sup>rd</sup> LP SD which contains 2 receipts dated 14 March 2013 and 15 March 2013 respectively.

	Tab 1 of LP-10 of the Opponent's 3 <sup>rd</sup> LP SD			
6	Sample copies of marketing materials <sup>36</sup> circulated in Singapore. <sup>37</sup>	<ul> <li>(i) The most commonly reflected mark is swatche 38</li> <li>(ii) The promotional material in a magazine Blitz<sup>39</sup> was priced in sterling pounds;<sup>40</sup> it is unclear if the magazine was circulated in Singapore.</li> <li>(iii) Further, it would appear that there are no references to ISWATCH.</li> </ul>		
	Tab 2 of LP-10 of the Opponent's 3 <sup>rd</sup> LP SD			
7	Copies of invoices issued to <i>SWATCH SEA</i> by Maxus Communications Singapore, a media planning company. <sup>41</sup>	Similarly, it would appear that there are no references to ISWATCH.		

- One issue which arises is whether the above evidence could be taken into account at this stage having regard to the Court of Appeal's guidance that the mark similarity analysis is mark-for-mark sans any extraneous matters.<sup>42</sup> In any event, it will become apparent that I do not need to come to a conclusion in relation to this issue here.
- 26 Coming back to the evidence above, it is observed that there are *minimal* references to the Opponent's earlier ISWATCH mark. However, I am prepared to hold that the Opponent's unregistered "SWATCH" mark<sup>43</sup> is well known to "all actual consumers and potential consumers in Singapore of the goods or services to which [the Opponent's unregistered "SWATCH" mark] is applied".
- 27 In light of the above, the marks in contention are:

Application Mark	Opponent's Earlier Marks
((NY) A TO(1))	Opponent's Earlier Registered SWATCH Mark
"IWATCH"	swatch
	Opponent's Earlier Registered ISWATCH Mark
	<i>i</i> swatch
	Opponent's Earlier Unregistered SWATCH Mark

<sup>&</sup>lt;sup>36</sup> It is unclear if promotional material featured in the *Sliver Kris Shop* magazine (for example page 61 of the Opponent's 3<sup>rd</sup> LP SD) can be considered for the purposes of evaluating the extent of marketing efforts in Singapore since it is an inflight magazine.

<sup>&</sup>lt;sup>37</sup> See [6] of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>38</sup> See pages 71, 90 and 111 respectively of the Opponent's 3<sup>rd</sup> LP SD. <sup>39</sup> See pages 66 – 68 of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>40</sup> Page 66 of the Opponent's 3<sup>rd</sup> LP SD at the top right hand corner.

<sup>&</sup>lt;sup>41</sup> See [7] of the Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>42</sup> See Monster Energy Company v NBA Properties, Inc [2018] SGIPOS 16 (more on this below).

<sup>&</sup>lt;sup>43</sup> For clarity, this includes the *Opponent's Earlier Registered SWATCH Mark*.

It is apparent that the *Opponent's Earlier Unregistered SWATCH Mark* is closer to the Application Mark in comparison to the *Opponent's Earlier Registered SWATCH Mark* since the *Opponent's Earlier Registered SWATCH Mark* is of a specific font. In the event that the *Opponent's Earlier Unregistered SWATCH Mark* is not found to be similar to the Application Mark, the same will hold true for the *Opponent's Earlier Registered SWATCH Mark*. Thus for the purposes of the mark - similarity analysis, the focus will only be on:

Application Mark	Opponent's Earlier Marks
"IWATCH"	Opponent's Earlier Unregistered SWATCH Mark
	SWATCH
	Opponent's Earlier Registered ISWATCH Mark
	<i>i</i> swatch

#### Distinctiveness

29 I am mindful of the Court of Appeal's guidance in *Staywell* (above) that distinctiveness is a factor integrated into the visual, aural and conceptual analysis as to whether the competing marks are similar and it is not a separate step within the marks-similarity inquiry. However, for ease of analysis, I will summarise my findings first, before applying them within the context of the mark-similarity analysis (see *Hai Tong* at [26]).

# 30 The Opponent argued at [32] OWS:

[32] The Opponent's Marks have acquired distinctiveness in the technical sense as a result of substantial use. The Opponent's Marks have been used for a substantial period of time in relation to the Opponent's goods, with the SWATCH marks being [in] continuous use since as early as the 1980s, and *the ISWATCH marks since 2012*, by the Opponent and/or through its authorised agents, distributors, dealers, representatives and/or other related entities throughout the world. The Opponent's long and substantial use of the Opponent's Marks worldwide, including Singapore, continues to this very day.

### [Emphasis in italics mine]

The Opponent referred to the evidence pertaining to the reputation<sup>44</sup> of the *Opponent's Earlier Marks* (above) in support of its contention.

31 The Applicant did not make separate arguments in relation to the issue of distinctiveness. However, in the context of the issue of visual and conceptual similarity, the Applicant submitted at [15] and [19] AWS:

<sup>&</sup>lt;sup>44</sup> See footnote 24 of OWS.

- [15]...The Applicant's IWATCH mark includes the known English word "WATCH" whereas the Opponent's whereas the Opponent's mark includes the known English word "SWATCH". The word "SWATCH" is a known English word which means "a sample, especially of cloth or fabric"...
- [19] ... The Applicant's IWATCH mark is a coined mark, which does not appear in the dictionary and has no inherent meaning. By contrast, the Opponent's SWATCH... marks is an English language dictionary word, which means, "a sample of cloth or other material".

# [Emphasis in italics mine]

- 32 It is to be recalled that in the mark similarity analysis, I am to assume the viewpoint of the average consumer (above). While it is true that "swatch" is a dictionary word which means "a sample of cloth or other material", I am of the view that an average consumer is likely to view the word "SWATCH" as an invented word instead. In this regard, I agree with the Opponent<sup>45</sup> that "the word "SWATCH" in the sense of the dictionary meaning is not the sort of word that is used by most people on a regular basis" ([41] OWS). Thus, I am of the view that, *sans* any evidence, the word "SWATCH" can serve as a distinctive mark.
- To complete the analysis, I am of the view that the incorporation of the word "WATCH" as part of the *Opponent's Earlier Unregistered SWATCH Mark* is allusive of the goods. 46 . Of course, protection of this mark will not prevent other traders to use the word "WATCH" on watches or like goods.
- 34 On the other hand, I am of the view that, as at the *Relevant Date*, an average consumer would understand that the prefix "I" in the Application Mark to refer to the "internet" ([17] Opponent's 3<sup>rd</sup> LP SD):
  - [17]...I verily believe that consumers would not view the "I" prefix in the Application Mark as constituting a characteristic element of the Applicant but rather, as with many other i-prefixed marks belonging to other proprietors, as a reference to concepts relating to the Internet. I point out that in a study published in 2001 on the trend of one-letter prefixes in Internet vocabulary, annexed hereto at Tab-1 of Exhibit LP-13,<sup>47</sup> it was observed *that the "I" prefix was the second most common prefix attached to computer and electronic related words...*It was also noted in the study that the "I" prefix in computer and electronic related words was *most likely derived from the word "internet"*.

<sup>&</sup>lt;sup>45</sup> Albeit in the context of conceptual similarity.

<sup>&</sup>lt;sup>46</sup> See *Monster Energy Company v Mixi, Inc.* [2017] SGIPOS 12 at [37] where the learned Assistant Registrar affirmed that is permissible to refer to the relevant goods / services at this stage.

<sup>&</sup>lt;sup>47</sup> Tab 1 of Exhibit LP-13 is an article entitled *The Story of e-* by Deborah Schaffer published in October 2001.

# [Emphasis in italics mine]

- 35 The issue of whether evidence can be tendered at the mark-similarity stage (as alluded to above) was considered by the IP Adjudicator in *Monster Energy Company v NBA Properties, Inc* [2018] SGIPOS 16 ("*NBA Properties*"). He opined, albeit *obiter*:
  - [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.

...

[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...

[Emphasis in bold mine, emphasis in italics in the original]

I am inclined to agree with the IP Adjudicator. In any event, even if the evidence is to be disregarded I am of the view that judicial notice can be taken of the same.

Therefore, when viewed as a whole, the Application Mark exudes ideas pertaining to the internet and watches. It is pertinent to note at this juncture that the Application Mark is sought to be registered for a myriad of goods in Class 9, *none* of which pertains to a smart watch (more on this below).<sup>48</sup>

Visual Similarity

For ease of comparison, the marks are as follows:

<sup>&</sup>lt;sup>48</sup> In any event, I note that there are no absolute ground objections raised in this Opposition on the basis that the Application Mark is not distinctive. The assessment of distinctiveness here is in the context of relative grounds.

Application Mark	Opponent's Earlier Marks	
	SWATCH	
"IWATCH"	iswatch	

- 38 The Opponent argued ([24] and [33] to [36] OWS):
  - [24] When comparing the visual similarity of two word marks, the following are considered:
    - (a) The length of the marks;
    - (b) The structure of the marks, i.e. whether there are the same number of words; and
    - (c) Whether the same letters are used in the marks.

. . .

- [33] When comparing the Opponent's SWATCH marks with the Application Mark, it can be seen that the SWATCH marks and the Application Mark both comprise a single six-letter word containing the element "WATCH" preceded by one letter, without any spacing between the first letter and the element "WATCH".
- [34] When comparing the Opponent's ISWATCH marks to the Application Mark, the similarities are also apparent, especially given that it is well established that English words are ordinarily viewed and read from left to right. The Application Mark only differs from the ISWATCH marks by one letter such that the Application Mark is made up of 6 out of the 7 letters in the ISWATCH marks. More critically, the letters in the Application Mark and the ISWATCH marks are arranged in the same order, with "I" at the beginning and "WATCH" at the end. Essentially, it is an "I" for [a "S"] and a "Watch" for a "Watch".
- [35] The Applicant has argued that "a consumer who encounters a new Apple trademark beginning with the letter "I" will have no reason to view the mark as descriptive. Rather, the letter "I" signifies that the product sold under the mark is part of the same family of products as Apple's IPHONE, IPAD and IPOD". With respect, the Applicant does not have exclusive trade mark rights to the prefix "I" and there is no automatic presumption that consumers will perceive all trademarks beginning with the prefix "I" as belonging to the Applicant. The Applicant does not have a blanket monopoly over all "I"-prefix marks in relation to all types of goods and services and the letter "I" does not automatically signify that a product sold under the relevant mark is a product from the Applicant.
- [36] In fact, there are many other companies which have sold and/or are selling products under i-prefixed trade marks and operate in the same class or similar classes of goods as the Applicant. This has been the case even before the Applicant allegedly created its first i-prefixed mark in 1998 and remains the case to date.

- 39 On the other hand, the Applicant argued at [14] and [15] AWS:
  - [14] The Applicant's IWATCH mark is visually different from the Opponent's SWATCH...marks. The first letter of the Applicant's IWATCH mark is "I", which is closely associated with the Applicant's products. The first letter of the Opponent's SWATCH...marks is "S". The fact that both marks include the known English word "WATCH" is insufficient to render them confusingly similar. This is because the known English word "WATCH" is a common place word in the English language, so consumers will focus on the first letter of each mark to distinguish them.
  - [15] The Applicant's IWATCH mark is also visually different from the Opponent's vswalch mark. The Applicant's IWATCH mark consists of 6 letters whereas the Opponent's mark consists of 7 letters. The Applicant's IWATCH mark includes the known English word "WATCH" whereas the Opponent's vswalch mark includes the known English word "SWATCH". The word "SWATCH" is a known English word which means "a sample, especially of cloth or fabric".
- 40 It is inappropriate at this stage to consider if "the first letter of the Applicant's IWATCH mark..."I"...is closely associated with the Applicant's products" ([14] AWS above). As opined by Justice Chan in *Monster Energy Company v Glamco Co, Ltd* [2018] SGHC 238 ("*Glamco*") at [76].<sup>49</sup>
  - [76]...In my view, whether or not a mark is part of a larger "family of marks" should only feature in the likelihood of confusion stage of the analysis...

# Opponent's Earlier Unregistered SWATCH Mark

- As alluded to above, I am of the view that an average consumer is likely to view the word "SWATCH" as an invented word. In contrast, the Application Mark, when viewed as a whole, exude ideas pertaining to the internet and watches.
- Having regard to the above, I do not agree that "it is an "I" for [an "S"] and a "Watch" for a "Watch" ([34] OWS).

# Opponent's Earlier Registered ISWATCH Mark

43 The *Opponent's Earlier Registered ISWATCH Mark* is even more dissimilar to the Application Mark.<sup>50</sup> This is because the *Opponent's Earlier Registered ISWATCH Mark* consists of 7 letters while the Application Mark consists of 6. The *Opponent's Earlier Registered ISWATCH Mark* has an additional letter "S". Crucially, the "I" in the *Opponent's Earlier Registered ISWATCH Mark* is highly stylised such that the visual

<sup>&</sup>lt;sup>49</sup> Albeit *obiter*.

<sup>&</sup>lt;sup>50</sup> In comparison to the *Opponent's Earlier Unregistered SWATCH Mark*.

impact foisted on the eye at the beginning of the *Opponent's Earlier Registered ISWATCH Mark* is undeniable.

#### Conclusion

Having regard to the above, my conclusion is as follows:

Application Mark	Opponent's Earlier Marks	Visually Similar?
"IWATCH"	Opponent's Earlier Unregistered	More dissimilar than
	SWATCH Mark	similar
	SWATCH	
	Opponent's Earlier Registered ISWATCH	Dissimilar
	Mark	
	<i>i</i> swatch	

### Aural Similarity

- With regard to aural similarity, the Court of Appeal in *Staywell* stated at [31] and [32] that there are two approaches. One approach is to consider the dominant component of the mark ("Dominant Component Approach") and the other is to undertake a quantitative assessment as to whether the competing marks have more syllables in common than not ("Quantitative Assessment Approach").
- 46 The Opponent submitted at [37] and [38] OWS:
  - [37] The SWATCH marks are pronounced as [SWATCH] while the Application Mark is pronounced as [I-WATCH]. It is submitted that the significant aural element in the SWATCH marks and the Application Mark are both [WATCH] and hence the main part of the marks is identical and pronounced with the same cadence and the same vowel.
  - [38] Further, the Application Mark is almost phonetically identical to the ISWATCH marks, with the former pronounced as [I-WATCH] and the latter pronounced as [I-SWATCH]...Both the ISWATCH marks and the Application Mark are pronounced in two syllables, starting with a hard "I" sound and ending with "WATCH", with the same cadence and the same sequence of vowels. Aurally, the "S" in the Opponent's ISWATCH marks is merely a quick transition between the two main elements of the word, namely "I" and "WATCH", further contributing to the phonetic similarity between the Application Mark and the ISWATCH marks. Hence, there are clear and significant phonetic similarities between the Applicant's mark and the Opponent's marks, especially given that the "S" in "iswatch" is barely audible.
- 47 On the other hand, the Applicant argued at [17] and [18] AWS:

[17] The Applicant's IWATCH mark is aurally different from the Opponent's SWATCH...marks. The Applicant's IWATCH mark has two syllables. The vowel "I" must be pronounced separately from the word "WATCH". By contrast, the Opponent's SWATCH...marks consist of only one syllable. The consonant "S" is not pronounced separately from the word "WATCH"...

[18] The Applicant's IWATCH mark is aurally different from the Opponent's \*\*SWOTCH\*\* mark. The Applicant's IWATCH mark will be pronounced as "I-WATCH". On the other hand, the Applicant's \*\*SWOTCH\*\* mark will be pronounced as "I-SWATCH".

# Opponent's Earlier Unregistered SWATCH Mark

Dominant Component Approach

- 48 Applying the Dominant Component Approach, the distinctive and dominant component of the *Opponent's Earlier Unregistered SWATCH Mark* is the word "SWATCH" *as a whole* (above). In this regard, I do not agree with the Opponent that "the significant aural element in the SWATCH marks and the Application Mark are both [WATCH]" ([37] OWS above).
- 49 Thus, applying the Dominant Component Approach, I am of the view that the *Opponent's Earlier Unregistered SWATCH Mark* is aurally more dissimilar than similar to the Application Mark.

Quantitative Assessment Approach

- Applying the Quantitative Assessment Approach, I agree with the Applicant that the *Opponent's Earlier Unregistered SWATCH Mark* consists of only one syllable and the consonant "S" is not pronounced separately from the word "WATCH" ([17] AWS). The consonant "S" glides naturally into the word "WATCH". In contrast, the Applicant's IWATCH mark has two syllables, "I-WATCH" ([17] AWS). The Application Mark, which "starts with a hard "I" sound", 51 is pronounced separately from the word "WATCH".
- 51 In light of the above, applying the Quantitative Assessment Approach, the *Opponent's Earlier Unregistered SWATCH Mark* is also aurally more dissimilar than similar to the Application Mark.

Opponent's Earlier Registered ISWATCH Mark

Dominant Component Approach

52 Similarly, the aurally distinctive dominant component of *Opponent's Earlier Registered ISWATCH Mark* is the one syllable word "SWATCH", in contrast to the Application Mark.

<sup>&</sup>lt;sup>51</sup> Using the description by the Opponent at [38] OWS.

In light of the above and having regard to the propensity for careless elocution, there is some aural similarity between the marks.

# Quantitative Assessment Approach

Applying the Quantitative Assessment Approach, both the *Opponent's Earlier Registered ISWATCH Mark* and the Application Mark consists of two syllables namely, "I-SWATCH" and "I-WATCH". Taking into account the possibility of careless pronunciation, I am of the view that there is some aural similarity.

#### Conclusion

In light of the above, my view in relation to the element of aural similarity is as follows:

Application Mark	Opponent's Earlier Marks	Aurally Similar?
"IWATCH"	Opponent's Earlier Unregistered	More dissimilar than
	SWATCH Mark	similar
	SWATCH	
	Opponent's Earlier Registered	Some similarity
	ISWATCH Mark	
	iswatch	

### Conceptual Similarity

- The Court of Appeal in *Staywell* expounded at [35] as follows:
  - [35] ...Unlike the aural analysis, which involves the utterance of the syllables without exploring the composite meaning embodied by the words, the conceptual analysis seeks to uncover the ideas that lie behind and inform the understanding of the mark as a whole...Greater care is therefore needed in considering what the conceptually dominant component of a composite mark is, because the idea connoted by each component might be very different from the sum of its parts...
- 57 The Opponent argued ([40] [42] OWS):
  - [40] The Swatch name is a contraction of "second watch" (Second WATCH) because when the watch was introduced in 1983, it was marketed with the idea of wrist timepieces as a new, fascinating, plastic way to say who you are and how you feel, in contrast to the "first watch" which would usually be an expensive piece of well-crafted jewellery.
  - [41] In the context of the use of the Opponent's Marks in relation to the goods covered by these marks, it is the conceptual meaning of the word "WATCH" that would be apparent and not the dictionary meaning identified by the Applicant. This

is especially so given that nothing about the relevant goods will trigger an association with the dictionary meaning identified by the Applicant and the word "SWATCH" in the sense of the dictionary meaning is not the sort of word that is used by most people on a regular basis.

[42] Similarly, when the Application Mark is *used in relation to smart watches* or watch-like devices, the meaning of "WATCH" will also be apparent in the Application Mark. Therefore, there is in fact strong conceptual similarity between the Application Mark and the Opponent's Marks.

# [Emphasis in italics mine]

- 58 The Applicant countered ([19] and [20] AWS):
  - [19] Conceptually, the Applicant's IWATCH mark conveys a different meaning from the Opponent's SWATCH...marks. The Applicant's IWATCH mark is a coined mark, which does not appear in the dictionary and has no inherent meaning. By contrast, the Opponent's SWATCH...marks is an English language dictionary word, which means, "a sample of cloth or other material".
  - [20] Conceptually, the Applicant's IWATCH mark also conveys a different meaning from the Opponent's vswatch mark. The Applicant's IWATCH mark is a coined mark, which does not appear in the dictionary and has no inherent meaning. On the other hand, average consumers are likely to pick out the word "swatch" from the Opponent's vswatch mark because of its reputation as a trade mark for watches, and because of the contrast between the styulised letter "i" and the word "swatch". In addition, there is also conceptual dissimilarity because the word "swatch" in the Opponent's vswatch" mark is an English language dictionary word, which means, "a sample of cloth or other material".
- 59 I must say that I am impressed by the original impetus in coming up with the *Opponent's Earlier Unregistered SWATCH Mark*. Nonetheless, ultimately it is viewpoint of the average consumer that matters.
- 60 In this regard, the learned Assistant Registrar ("AR") in *Carolina Herrera*, *Ltd v Lacoste* [2014] SGIPOS 3 ("*Lacoste*") provided at [56]:
  - [56] From the dicta above, it can be understood that the conceptual analysis of two competing signs is an analysis of the concepts that can be derived from the elements present in the sign *at surface value*. It does not matter, for example, that "Mobis" was derived from "mobile" and "system" taken at surface value, "Mobis" is simply an invented word.

# [Emphasis in italics mine]

# Opponent's Earlier Unregistered SWATCH Mark

- 61 As alluded to above, I am of the view that the average consumer will see the **Opponent's Earlier Unregistered SWATCH Mark** as an invented word / mark, with the reference to "WATCH" in the **Opponent's Earlier Unregistered SWATCH Mark** being allusive of the goods. This is in contrast to the Application Mark which emanates ideas pertaining to the internet and watches.
- In light of the above, I am of the view that the marks are conceptually more dissimilar than similar.

# Opponent's Earlier Registered ISWATCH Mark

- 63 The *Opponent's Earlier Registered ISWATCH Mark* consists of the word "SWATCH" as well as a highly stylised<sup>52</sup> "I" before the word "SWATCH". As indicated above, the prefix "I" would refer to the "internet". On the other hand, "SWATCH" would be seen as an invented word possessing some allusive quality to the products (above).
- Having regard to the above, I am of the view that the marks are similar to a low extent, arguably on the basis that they are both "I" marks.
- 65 Therefore, my conclusion is as follows:

Application Mark	Opponent's Earlier Marks	Conceptually
		Similar?
"IWATCH"	Opponent's Earlier Unregistered	More dissimilar than
	SWATCH Mark	similar
	SWATCH	
	Opponent's Earlier Registered	Marginally similar
	ISWATCH Mark	
	<i>i</i> swatch	

Conclusion on the similarity of marks

- 66 It is to be recalled that:
  - (i) The court must ultimately conclude whether the marks, when observed in their totality, are similar rather than dissimilar. In this regard, trade-offs can occur between the three aspects of similarity.
  - (ii) The average consumer:

<sup>&</sup>lt;sup>52</sup> The Court of Appeal in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 clarified at [54] that any design of a mark is relevant to *visual* (rather than *conceptual*) similarity.

- (a) has an "imperfect recollection" and there is a need to consider the general impression that will likely be left by the dominant features of the marks.
- (b) is one who would exercise some care and a measure of good sense in making his or her purchases, not that of an unthinking person in a hurry.
- I have concluded above that, in comparison to the *Opponent's Earlier Unregistered SWATCH Mark*, the Application Mark is visually, aurally and conceptually more dissimilar than similar such that overall, the marks are dissimilar. On the other hand, in comparison to the Application Mark the *Opponent's Earlier Registered ISWATCH Mark*, the Application Mark is visually dissimilar, aurally similar and conceptually marginally similar such that overall, the marks are similar to a low extent.
- Having regard to the 3-step test, my conclusion above ends the inquiry with regard the objection under Section 8(2)(b) in relation to the *Opponent's Earlier Unregistered SWATCH Mark*.
- 69 However, in the event that I am wrong, I will proceed with the issue of goods similarity. For this purpose, having regard to my conclusion above, I will assume that the *Opponent's Earlier Unregistered SWATCH Mark* is only similar to the Application Mark to a low extent.

### Similarity of Goods

- In relation to this limb, it is trite that the relevant factors for consideration are those set out in *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281<sup>53</sup> ("*British Sugar*") (*Staywell* at [43]):
  - (i) the respective uses of the respective goods or services;
  - (ii) the respective users of the respective goods or services;
  - (iii) the physical nature of the goods or acts of service;
  - (iv) the respective trade channels through which the goods or services reach the market;
  - (v) the extent to which the respective goods or services are competitive.
- 71 For ease of reference, the relevant goods are as follows:

Application Mark	Opponent's Earlier Marks
Class 9	Opponent's Earlier Unregistered SWATCH Mark
Computer software; security	Watches
devices for computer software	Opponent's Earlier Registered ISWATCH Mark
and hardware; monitors and	<u>Class 14</u>
monitoring devices, namely,	

<sup>&</sup>lt;sup>53</sup> The factor which relates to self-serve consumer items is excluded as it is irrelevant here.

- 26 -

physiological monitoring apparatus (other than for for health, medical use) exercise, and fitness; cameras; computers; computer hardware; computer peripherals; wireless communication devices; radios: audio and video devices; global positioning system devices; accessories, parts, components, and cases for all of the foregoing goods.

Precious metals and their alloys and goods in precious metals or coated therewith not included in other classes, jewellery, precious stones; *horological and chronometric instruments*.

Class 35

Retail services in relation to horological products and jewellery; retail services via global networks of computer (Internet) in relation to horological products and jewellery.

Class 37

Repair and maintenance of horological products and jewellery.

- As alluded to above, the Application Mark is sought to be registered for a myriad of goods in Class 9, *none* of which relates to a smart watch. This suggests that it was not the Applicant's intention to seek to register "smart watches" for the Application Mark.<sup>54</sup> In any event, the critical issue here is, as argued by the Opponent, whether the specification for the Application Mark in Class 9 *as is*, can be construed to include "smart watches", regardless of the Applicant's intention.
- 73 The Opponent strenuously argued at [49] [55] OWS:<sup>55</sup>
  - [49] The goods claimed under Trade Mark Application No. T1319676J-01 for the Application Mark is in any case *highly similar* to the goods covered by the Opponent's Trade Mark Registration Nos. T0807434B...in particular "horological and chronometric instruments" in Class 14 for Trade Mark Registration Nos. T0807434B...in the light of the emergence of "smart watches".
  - [50] The Collins English Dictionary defines "smart watches" as "an electronic wristwatch that is able to perform many of the functions of a smartphone or tablet computer". <sup>56</sup> Smart watches are effectively wearable computers with wireless connectivity and are hence encompassed by the descriptions "computers; computer hardware; computer peripherals; wireless communication devices" as claimed under Trade Mark Application No. T1319676J-01.<sup>57</sup>
  - [51] Smart watches are *typically linked to mobile phones* and allow users to make calls, check emails, display alerts and information (including the time) and have a

<sup>54</sup> To put context into the analysis, *before 1 January 2016*, as a matter of practice, the Registry of Trade Marks accepted "smart watches" in both Class 9 and Class 14.

<sup>&</sup>lt;sup>55</sup> Having regard to the marks which are analysed for the purposes of the objection under section 8(2)(b) (above), the goods registered under T8703201Z are not taken into consideration.

<sup>&</sup>lt;sup>56</sup> The Opponent sought to rely on Exhibit LP-4 of the Opponent's 1<sup>st</sup> LP SD at page 58. For the avoidance of doubt, although the excerpt is undated, I do not think one can dispute the accuracy of the description.

<sup>&</sup>lt;sup>57</sup> The Opponent sought to rely on Exhibit LP-4 of the Opponent's 1<sup>st</sup> LP SD; the articles in the exhibit which are dated after the *Relevant Date* or undated are excluded.

range of other features ranging from counting steps, monitoring heart rate, navigating using GPS technology, storing and playing music, listening to radio and taking pictures. It is also possible to download software applications for use with the smart watches, including applications for enhancing the security of the user's home and mobile devices. Further, smart watches resemble traditional watches and are also worn in the same way. Therefore, global positioning system devices, monitors and monitoring devices, cameras, radios, audio and video devices, security devices and wireless communication devices *can take the form of a watch*. In addition, computer software is required for the operation of a smart watch and hence there is clearly a close connection between computer software and watches. As such, it is submitted that the specification of goods for Trade Mark Application No. T1319676J-01 in fact covers smart watches, the various functions of a smart watch and goods for use with smart watches.

[52] There is a fine line between smart watches, as covered by the specification for Trade Mark Application No. T1319676J-01, and traditional watches, as covered by the Opponent's Marks. Further, smart watches and traditional watches are highly similar in appearance, are worn in an identical manner (i.e. on the wrist) and can both be characterized as small battery-operated devices.

[53] Additionally, one of the purposes of a smart watch is the same as that of a watch, namely to tell the time. The distinction between smart watches and traditional watches is even finer, and the overlap in the goods' purposes even greater, when considering goods which are primarily time pieces but may also serve other purposes, such as counting steps or tracking the user's position using GPS technology. <sup>58</sup> It is submitted that horological and chronometric apparatus and instruments in Class 14 are not limited to traditional watches but would include such time pieces as well.

[54] Given the close similarity and overlap between smart watches and traditional watches, the goods of the Applicant and Opponent, are in *direct competition*. <sup>59</sup> [55]...As seen from the printouts from the websites of online third-party retailers Bodying.sg and iprice showing traditional watches and smart watches being *sold side-by-side* on these websites, <sup>60</sup> the goods claimed in Trade Mark Application No. T1319676J-01 and goods covered by the Opponent's Marks are in fact sold through the same channels and to the same target consumers in Singapore.

<sup>&</sup>lt;sup>58</sup> The Opponent sought to rely on Exhibit LP-5 of the Opponent's 1<sup>st</sup> LP SD at pages 225 – 233. Articles included in the exhibit which are dated after the *Relevant Date* are disregarded.

<sup>&</sup>lt;sup>59</sup> The Opponent sought to rely on Exhibit LP-6 of the Opponent's 1<sup>st</sup> LP SD. It would appear that the articles / print outs are either dated after the *Relevant Date* or are undated and thus cannot be taken into account. Nonetheless, I do not think it can be disputed that watches and smart watches can be substitutes to some extent.

<sup>&</sup>lt;sup>60</sup> The Opponent sought to rely on Exhibit LP-6 of the Opponent's 1<sup>st</sup> LP SD at pages 272 – 286. However, the 2 sets of print outs are undated and cannot be taken into account (the print date for both print outs is 5 Nov 2017).

[56] Hence, it is submitted that the specification of goods applied for in the application for the Application Mark, is in fact identical or highly similar to the goods for which the Opponent's Marks are registered and/or used for in Singapore and on a worldwide basis.

# [Emphasis in italics mine]

- Firstly, I agree that "horological and chronometric apparatus and instruments in Class 14 are not limited to traditional watches but would include [smart watches] as well." ([53] OWS above). Secondly, I do not dispute the various functions of a smart watch as described above and as supported by the Opponent's evidence (as applicable).<sup>61</sup> However, I am of the view that, a smart watch is *in essence* a watch which also performs a myriad of functions. In other words, the multitude of functions of a smart watch are ancillary to its *core* function of telling time.
- 75 This is apparent / can be elicited from the Opponent's own submissions above:<sup>62</sup>
  - (i) A smart watch *is a watch* that is able to perform many of the functions of a smartphone or tablet computer ([50] OWS).
  - (ii) It is also possible to download software applications for use with the smart watches, including applications for enhancing the security of the user's home and mobile devices...global positioning system devices, monitors and monitoring devices, cameras, radios, audio and video devices, security devices and wireless communication devices can take the form of a watch. ([51] OWS).
  - (iii) Smart watches and traditional watches can be considered to be in *direct competition* ([54] OWS).
- 76 I find support in the related case *Swatch AG v Apple Inc* [2017] *EWHC* 713 (*Ch*) at [21]: <sup>63</sup>
  - [21]...I think an error has arisen because the hearing officer took into account *an incidental attribute* of a device (that it can be used to tell the time) which for other reasons falls within the specification of goods for which the Applicant seeks registration, thus condemning all such devices even though they do not have that incidental characteristic.

[Emphasis in italics mine]

77 In the same vein, "I think an error has arisen because the [Opponent] took into account *an incidental attribute* of a [smart watch, for example to check emails]...thus condemning [smart watches]..."<sup>64</sup> that they are "effectively wearable computers...and are

<sup>&</sup>lt;sup>61</sup> Subject to my comments with regard to their relevance (above).

<sup>&</sup>lt;sup>62</sup> As buttressed by the Opponent's evidence.

<sup>&</sup>lt;sup>63</sup> Applicant's SD at TRLP-4 at pages 461 – 470.

<sup>&</sup>lt;sup>64</sup> Swatch AG v Apple Inc [2017] EWHC 713 (Ch) at [21] above.

hence encompassed by the descriptions "computers; computer hardware; computer peripherals; wireless communication devices" as claimed under Trade Mark Application No. T1319676J-01."65

- 78 Thus, I am of the view that smart watches are not encompassed within the descriptions "computers; computer hardware; computer peripherals; wireless communication devices" as applied for by the Applicant.
- Having regard to the 3-step test, my conclusion above ends the inquiry with regard to the objection under Section 8(2)(b) and the ground of opposition under Section 8(2)(b) therefore fails.
- Nonetheless, in the event I am wrong, <sup>66</sup> I proceed to the final step of the likelihood of confusion. Specifically, the analysis will focus on the proposed overlapping item "smart watches".

# Likelihood of Confusion

- The relevant principles for assessing likelihood of confusion have been expounded by the Court of Appeal in *Staywell* at [60], [64], [83] and [96]<sup>67</sup>:
  - Once similarity between the competing marks and goods or services has been (i) established, the *impact* of these similarities on the relevant consumers' ability to understand where those goods and services originate from falls to be considered. The only relevant confusion is that which results from the similarity between marks and goods or services. However, the plain words of section 8(2) do *not* have the effect of making a finding of confusion automatic upon the establishment of similarity of marks and goods or services.
  - (ii) On the effect of the foregoing (i.e. similarity of marks and goods or services) on the relevant segment of the public – extraneous factors may be considered to the extent that they inform the court as to how the similarity of marks and goods will likely affect the consumer's perception as to the source of the goods.
  - The following represents a non-exhaustive list of factors which are regarded as admissible in the confusion inquiry:

<sup>65 [50]</sup> OWS above.

<sup>&</sup>lt;sup>66</sup> I am mindful that the test in Swatch AG v Apple Inc [2017] EWHC 713 (Ch) is the global appreciation test in contrast to the 3-step test in the local context (above).

<sup>&</sup>lt;sup>67</sup> In opposition proceedings, the inquiry must take into account the full range of the competing monopoly rights that are already enjoyed on the one hand, namely the actual and notional fair uses to which the incumbent proprietor has or might fairly put his registered trade mark, and compare this against the full range of such rights sought by the applicant by reference to any actual use by the applicant (assuming there has been prior use) as well as notional fair uses to which the applicant may put his mark should registration be granted. This issue is not in contention in this case.

- (a) Factors relating to the impact of *marks-similarity* on consumer perception:
  - (1) the *degree of similarity* of the marks themselves;
  - (2) the *reputation* of the marks (a strong reputation does *not* necessarily equate to a higher likelihood of confusion, and could in fact have the contrary effect);
  - (3) the *impression* given by the marks; and
  - (4) the *possibility of imperfect recollection* of the marks.
- (b) Factors relating to the impact of *goods-similarity* on consumer perception (factors concerning the very nature of the goods without implicating any steps that are taken by the trader to differentiate the goods).
  - (1) The normal way in, or the circumstances under which, consumers would purchase goods of that type;
  - (2) Whether the products are *expensive or inexpensive items*;
  - (3) Whether they would tend to *command a greater or lesser degree* of fastidiousness and attention on the part of prospective purchasers; and
  - (4) The *likely characteristics of the relevant consumers* and whether the relevant consumers would or would not tend to apply care or have *specialist knowledge* in making the purchase.

[Emphasis as underlined mine]

- 82 The Opponent argued ([63] and [65] OWS):
  - [63] The purchasing public for products covered by the Application Mark is highly likely to encounter both the Application Mark and the Opponent's Marks in the marketplace. There is nothing in the specification of goods or the conditions of registration that will prevent the channels of trade and circumstances of usage from being identical.

. . .

- [65] Further, given the fact that watches and other wearable technology devices are generally small in size, when the marks are affixed on such products, the average consumer will all the more not apply a fine-tooth comb analysis on such miniature sized marks. In addition, due to the imperfect recollection of average consumers, this will further increase the likelihood of confusion.
- 83 On the other hand, the Applicant submitted that "[t]here has to be additional evidence showing that confusion is likely, such as factors "extraneous" to the marks and goods" ([30] AWS). However, in this case, (see [31] [33] AWS):

- [31]...an extraneous factor would include the many trade marks that are registered in Singapore beginning with the letter "I", which signifies that a product sold under the Applicant's IWATCH mark is part of the same family of products such as Apple's IPHONE, IPAD and IPOD.
- [32]... the Applicant...is not monopolising the letter "I". The Applicant acknowledges that there are indeed other marks beginning with the letter "I". What the Applicant is saying is simply that due to the many trade marks that are registered in the Applicant's name which begin with the letter "I", the public has come to recognise that the IWATCH mark belongs to the same family of products such as the Applicant's IPHONE, IPAD and IPOD.
- [33] Another extraneous factor would be that the press and public worldwide have already anticipated that a new wearable device from Apple would be called IWATCH. As a result, the mark IWATCH is already associated with Apple, and confusion with SWATCH .../ is unlikely. Examples of such international online and/or print publications, which are also available in Singapore, include:

BBC; Bloomberg; Boston Herald; Business Insider; CNBC; CNET; CNN; Daily Mail; The Economist; Financial Times; Forbes; Fortune; Fox Business; Fox News; The Guardian; GQ; International Business Times; NASDAQ; NBC News; Newsweek; New York Post; New York Times; Reuters; Telegraph; TIME; USA Today; Wall Street Journal; Washington Post

[34] ... The Opponent has stated many times that the articles relied upon by the Applicant were published by foreign sources outside of Singapore and should not be relied upon. In this regard, the Applicant repeats that it has already at the outset stated that the articles were indeed foreign international or online publications. As such, the articles were not published in Singapore journals. The articles are however available in Singapore due to the easy accessibility and transmission of information through the Internet and technology. Therefore, the Applicant maintains that the articles should still be regarded as valid, showing that the press and public worldwide have already anticipated that a new wearable device from Apple would be called IWATCH.

Factors relating to the impact of marks-similarity

In relation to the factors pertaining to mark similarity, I am proceeding on the assumption that both marks are only similar to the Application Mark to a low extent.<sup>68</sup> Further, as smart watches are usually displayed on shelves for sale, it is the visual and conceptual components which are more important. For the avoidance of doubt, the size of

<sup>&</sup>lt;sup>68</sup> In the event that I am wrong about *Opponent's Earlier Unregistered SWATCH Mark*.

the mark<sup>69</sup> is merely one factor among a myriad of others and in this instance, it is not a significant consideration in the whole scheme of things.

With regard the issue of a family of marks, the High Court in *Glamco*, after quoting *Lacoste* at [38] continued:

[79] I agree with the Assistant Registrar. In order to establish that a mark falls within a larger "family of marks", which I accept is one of the factors to be considered for the specific purpose of assessing the likelihood of confusion, sufficient evidence must first be adduced to show the use of a sufficient number of "members" of this family. Indeed, in the absence of such evidence, it cannot be said that a consumer would detect the common element present in these marks and associate them with being part of the same family. Further, given that a party which successfully establishes that it has a "family of marks" will be better able to establish the likelihood of confusion...

[Emphasis in italics mine]

86 In this regard, the Applicant deposed ([22] - 24] Applicant's SD):

[22] The Applicant created its family of "I" prefix marks in 1998, with the launch of its ground breaking IMAC desktop computer and IBOOK notebook computer. Over the next fifteen years, the Applicant adopted more than twenty other marks featuring the prefix "I":

S/N	Mark	<b>Product Launch Date</b>
1	IMAC	August 1998
2	IBOOK	July 1999
3	IMOVIE	October 1999
4	IDVD	January 2001
5	ITUNES	January 2001
6	IPOD	October 2001
7	IPHOTO	January 2002
8	ICAL	July 2002
9	ISYNC	July 2002
10	ILIFE	January 2003
11	ICHAT	June 2003
12	ISIGHT	June 2003
13	IWORK	January 2005
14	IWEB	January 2006
15	IPHONE	June 2007
16	IPAD	January 2010
17	IBOOKS	January 2010
18	IBOOKSTORE	January 2010

<sup>&</sup>lt;sup>69</sup> See [65] OWS above.

19	IAD	April 2010
20	IOS	June 2010
21	ICLOUD	June 2011
$22^{70}$	IMESSAGE	June 2011

- [23] Annexed and marked TRLP-5 are copies of documents showing the product launch dates of the above products.
- [24] The Applicant's family of "I" prefix marks includes come of the most successful consumer products in history:
- (i) The Applicant launched its ITUNES media player in 2001 and opened its online store for ITUNES digital music downloads in 2003. Within ten years, the Applicant had sold more than 25 billion songs through ITUNES, which had become the largest music retailer in the world by 2010. ITUNES remains the world's most popular online retailer of music, television shows, and movies, featuring a catalog of more than 43 million songs, more than 300,00 television episodes, and more than 85,000 movies. Annexed and marked TRLP-6 are documents supporting the above.
- (ii) The Applicant launched its IPOD digital media player in 2001. By September 2012, the Applicant had sold more than 350 million IPOD devices worldwide. Annexed TRLP 7 are documents supporting the above.
- (iii) The Applicant's launch of the IPHONE smartphone in 2007 revolutionised the consumer electronics industry...Each new version of the IPHONE device has met with immediate success. Annexed and marked TRLP-8 are documents supporting the figures set out in the table below.

S/N	Model	Release Date	Number of devices sold
1	<b>IPHONE 3G</b>	11 July 2008	1 million devices sold in the first 3
			days
2	IPHONE 3GS	19 June 2009	1 million devices sold in the first 3
			days
3	IPHONE 4	24 June 2010	Pre-orders topped ½ million in the
			first 24 hours; 1.7 million devices
			sold in the first 3 days
4	<b>IPHONE 4S</b>	24 October 2011	Pre-orders topped 1 million in the
			first 24 hours; 4 million devices sold
			in the first 3 days
5	IPHONE 5	21 September	Pre-orders topped 2 million in the
		2012	first 24 hours; 5 million devices sold
			in the first 3 days

<sup>&</sup>lt;sup>70</sup> The last item is not taken into account as it was launched in "December 2013" and it is unclear if it was on or before the *Relevant Date*.

- 34 -

$6^{71}$	IPHONE 5S	20 September	9 million devices sold in the first 3
	IPHONE 5c	2013	days

- (iv) Following the introduction of the IPAD tablet computer in 2010, the Applicant sold 300,000 units of the device on the first day that the product was available for purchase. The Applicant had sold more than one million units of the IPAD device within one month, more than two million units within two months and more than three million units within 90 days. Annexed and marked TRLP-9 are documents supporting the foregoing...
- (v) The following table summarises the extraordinary success of the IPHONE, IPAD and IPOD products over the past five years. The figures are supported by TRLP-10, which is an internal document reflecting the figures in the table below.

S/N	Financial	IPHONE	IPAD	IPOD
	Quarter	(Units sold in	(Units sold in	(Units sold in
		Millions) <sup>72</sup>	Millions)	Millions)
1	4Q 2010	14.1	4.2	9.1
2	1Q 2011	16.2	7.3	19.5
3	2Q 2011	18.7	4.7	9.0
4	3Q 2011	20.3	9.3	7.5
5	4Q 2011	17.1	11.1	6.6
6	1Q 2012	37.0	15.4	15.4
7	2Q 2012	35.1	11.8	7.7
8	3Q 2012	26.0	17.0	6.8
9	4Q 2012	26.9	14.0	5.3
10	1Q 2013	47.8	22.9	12.7
11	2Q 2013	37.4	19.5	5.6
$12^{73}$	3Q 2013	31.2	14.6	4.6

(vi) The Applicant launched its ICLOUD computing service in 2011. Within six months the service was launched, more than 125 million consumers used the service. Annexed and marked TRLP-11 are documents supporting the above.

87 The exhibits<sup>74</sup> in the Applicant's SD referred to by the Applicant above are as follows:<sup>75</sup>

S/N	Description	Page	Comments	
		Reference <sup>76</sup>		
TRLP-5				

<sup>&</sup>lt;sup>71</sup> The rest of the items are excluded as they occurred after the *Relevant Date*.

<sup>&</sup>lt;sup>72</sup> Rounded up / down to the nearest decimal place.

<sup>&</sup>lt;sup>73</sup> The rest of the figures are excluded as they occurred after the *Relevant Date*, including the period 4Q 2013.

<sup>&</sup>lt;sup>74</sup> Excerpts or articles which are undated or dated after the *Relevant Date* are not taken into account.

<sup>&</sup>lt;sup>75</sup> Sample articles / excerpts only.

<sup>&</sup>lt;sup>76</sup> All pages pertain to the Applicant's SD.

1	The New York Times article entitled Who Said Computers Have to Be Square? dated 23 July 1998	479 - 483	It is unclear if the articles were circulated in Singapore and, if so, to				
2	An article entitled <i>iMovie &amp; iMac DV introduction – Apple Special Event</i> (1999) on  www.everystevejobsvideo.com	492 - 495	what extent.				
3	dated 18 February 2013  Press Release on www.apple.com entitled New Version of iOS Includes Notification Center, iMessage, Newsstand, Twitter Intergration Among 2000 New Features dated 6 June 2011	540 - 543					
	TRL	P-6					
4	Press Release on www.apple.com entitled Apple introduces iTunes – World's Best and Easiest To Use Jukebox Software dated 9 January 2001	565 - 567	It is unclear if the articles were circulated in Singapore and, if so, to what extent.				
5	Press Release on www.apple.com entitled <i>iTunes Store Sets New Record with 25 Billion Songs Sold</i> dated 6 February 2013	571 - 572					
	TRLP-7						
6	Press Release on www.apple.com entitled <i>Apple Presents iPOD</i> dated 23 October 2001	575 - 577	It is unclear if the articles were circulated in Singapore and, if so, to				
7	Press Release on www.apple.com entitled <i>Apple Introduces New iPod</i> touch & iPod nano dated 12 September 2012	578 - 581	what extent.				
TRLP-8							
8	Press Release on www.apple.com entitled <i>Apple Sells One Million iPhone 3Gs in First Weekend</i> dated 14 July 2008	584 - 585	It is unclear if the articles were circulated in Singapore and, if so, to what extent.				
9	Press Release on www.apple.com entitled <i>iPhone 4 Sales Top 1.7</i> <i>Million</i> dated 28 June 2010	590 - 591					
10	Press Release on www.apple.com entitled <i>iPhone 5 First Weekend Sales Top Five Million</i> dated 24 September 2012	599 - 600					
TRLP-9							

11	Press Release on www.apple.com entitled <i>Apple Sells Over 300,000 iPads First Day</i> dated 5 April 2010  Press Release on www.apple.com entitled <i>Apple Sells Three Million iPads in 80 Days</i> dated 22 June 2010	612 - 613	It is unclear if the articles were circulated in Singapore and, if so, to what extent.
	TRL	P-10	
13	Apple Inc. Q4 2010 Unaudited Summary Data.	622	The figures are segregated into various regions. The
14	Apple Inc. Q4 2011 Unaudited Summary Data.	626	amounts are presumably denominated in USD (in
15	Apple Inc. Q4 2012 Unaudited Summary Data.	630	millions) <sup>77</sup> and relate to a range of products (in thousands). <sup>78</sup>
	TRL	P-11	
16	Press Release on www.apple.com entitled <i>Apple Launches iPhone 4S</i> , <i>iOS 5 &amp; iCloud</i> dated 4 October 2011	652- 655	It is unclear if the articles were circulated in Singapore and, if so, to what extent.

- 88 It is not in dispute that the Applicant's products above enjoyed tremendous sales. Nonetheless, the extent to which it relates to the local market is unclear. One obvious example is Exhibit TRLP-10 above, where in all likelihood, the sales figures from the local market were included in the approximate figures for the region "Asia Pacific". As such, it is *not* possible to know the exact extent of sales stemming from the local market.
- 89 The same issue confounds the Opponent's publicity materials. The extent to which these reached the local audience is unclear. In the same vein, while I accept that some of the international publications may be available online in Singapore ([34] AWS above), this alone, without any evidence as to the *extent* to which they were accessed in the local market, is insufficient.<sup>79</sup>
- 90 It is apposite at this stage to refer to the Opponent's submission that "there are many other companies which have sold and/or are selling products under i-prefixed trade marks and operate in the same class or similar classes of goods as the Applicant..." ([36] OWS).<sup>80</sup>
- 91 In support, the Opponent deposed at [14] of the Opponent's LP 3<sup>rd</sup> SD:

<sup>&</sup>lt;sup>77</sup> See the header.

<sup>&</sup>lt;sup>78</sup> As above.

<sup>&</sup>lt;sup>79</sup> Further, most of the items on the list of publications at TRLP-15 as well as the excerpts attached at TRLP-16 are dated after the *Relevant Date* and cannot be taken into account.

<sup>&</sup>lt;sup>80</sup> Albeit made in the context of mark similarity, above.

[14] The prevalence of i-prefixed marks is apparent from the sheer number of i-prefixed marks registered in Singapore...

S/N	Mark	Class	<b>Application Date</b>	Proprietor
1	iMobile	38	2 June 1999	M1 Limited
	T9905574E			
2	INOTES	9	23 December 1999	International Business Machines Corporation
	iNotes T9915295C			
3	IROBOT T0515231H	9	26 August 2005	IRobot Corporation
4	iStore	9	15 February 2013	Boutique iStore Canada Inc.
5	IVILLAGE T9911054A	9	1 October 1999	IVillage LLC

- 92 The full list includes a total of 31 marks registered for various classes for the period spanning from 1985 November 2013. 81 It would appear that "I" prefix marks are commonly sought to be registered for various products, especially those in Class 9.
- Nonetheless, one criticism of such evidence is that it merely reflects the state of the Register and not the reality of the market place. The learned AR opined in *Monster Strike*:

[104] Here, the fact that a number of other traders have registered various trade marks containing "MONSTER" in Classes 9 and 41 *does not, in and of itself, negate* the Opponent's argument that it has a "MONSTER" family of marks. Conversely, the fact that the Opponent has a number of trade mark registrations in various classes (including Class 9) containing "MONSTER" (*viz.* the Opponent's Earlier Trade Marks) *does not necessarily assist* the Opponent's case either<sup>82</sup>.

[105] But the state of the register is not wholly irrelevant either. Against that backdrop, I am reminded that unless there is *sufficient evidence of use* of "MONSTER" (by itself) in the course of trade by the Opponent, in relation to the

<sup>81</sup> Excluding those registered after the *Relevant Date*.

<sup>&</sup>lt;sup>82</sup> In this regard, the Applicant's evidence as to their registrations in Singapore of marks containing the "I" prefix does not really assist either ([29] of the Applicant's SD). In any event, not all of the marks in the list can be taken into account as some were sought to the registered after the *Relevant Date*.

relevant goods and/or services, I should be slow to find that that element as being or comprising a family or series of trade marks for the purposes of the likelihood of confusion assessment.

## [Emphasis in italics mine]

- The question is whether "the public has come to recognise that the [Application Mark] belongs to the same family of products as the Applicant's IPHONE, IPAD and IPOD" (above [32] AWS). In this regard, I am not able to draw a conclusion in light of the fact that the extent of sales and promotion in relation to the Applicant's "I" prefix marks (and products) in Singapore is unclear (above).
- What is clear though, is that the Opponent's reputation in Singapore, <sup>83</sup> *reduces* the likelihood of confusion. In this regard, the Court of Appeal in *Staywell* referred to the case of *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177<sup>84</sup> at [64]:
  - [64] With widespread education and a public which is constantly exposed to the world, either through travel or the media, one should be slow to think that the average individual is easily deceived or hoodwinked. In fact, the very success of the appellant, which is inseparable from its logo, is also the very reason why confusion is unlikely. We would stress that the things that lead a consumer to a restaurant of the appellant's and its products are its unique logo and its main mark "McDonald's"...

## [Emphasis in italics mine]

Here, I have concluded above that the *Opponent's Earlier Unregistered SWATCH Mark* is well known in Singapore.

Factors relating to the impact of goods-similarity

- 96 As indicated above, the focus is on "smart watches".
- In terms of the "normal way in, or the circumstances under which, consumers would purchase goods of that type", 85 smart watches are usually displayed on shelves and purchased with the help of assistants. This is due to the sheer number of technical specifications / functions which they possess as well as the different styles available. 86 In

<sup>&</sup>lt;sup>83</sup> See above conclusion that the *Opponent's Earlier Unregistered SWATCH Mark* is well-known in Singapore.

<sup>84</sup> *Staywell* at [96(a)].

<sup>85</sup> *Staywell* at [96(b)].

<sup>&</sup>lt;sup>86</sup> See for example, the Opponent's 1<sup>st</sup> LP SD at Exhibit LP-4, which contains "articles explaining the characteristics of a smart watch" ([14] Opponent's 1<sup>st</sup> LP SD). A review of the Sony Smartwatch entitled *Sony Smartwatch 2 review: a fair effort that still hasn't cracked it* dated 26 October 2013 is at pages 84 – 99 while an article entitled *2013 Smartwatch Comparison Guide* dated 25 Nov 2013 is at pages 68 – 79.

terms of prices, while they are not as expensive as a car, they are definitely not cheap items or "a 50 pence purchase in the station kiosk". 87 88

- Having regard to all of the above, smartwatches would tend to "command a greater degree of fastidiousness and attention" on the part of prospective purchasers. After all, a smartwatch is a highly personal item which blends function and style. It follows that, in terms of the "likely characteristics of the relevant consumers", they would be a discerning group of consumers, tech savvy and fashion conscious.
- 99 Taking all of the above into account, I am of the view that there is no likelihood of confusion.

#### Conclusion

100 In light of all of the above, the objection under section 8(2)(b) fails.

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

- 101 Section 8(4) of the Act reads:
  - 8(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...

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

Similarity of marks

102 In relation to this ground, it is clear that the first element that must be satisfied is that "the whole or essential part of the trade mark must be identical or similar to an earlier mark". This element is essentially the same as the similar element under Section 8(2)(b) (see *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 at [70] and [71]).

<sup>&</sup>lt;sup>87</sup> *Staywell* at [96(b)].

<sup>&</sup>lt;sup>88</sup> The pricing would appear to be in the range of USD150 – 300: see page 79 of Exhibit LP-4 of the Opponent's 1<sup>st</sup> LP SD.

<sup>&</sup>lt;sup>89</sup> *Staywell* at [96(b)].

<sup>&</sup>lt;sup>90</sup> *Staywell* at [96(b)].

103 In relation to this element, my conclusion is the same as that for the objection under section 8(2)(b).

Well-known in Singapore

104 The critical question is whether the *Opponent's Earlier Marks*, in particular: <sup>91</sup>

S/N	Opponent's Earlier Marks			
	Opponent's Earlier Unregistered SWATCH Mark			
1	SWATCH			
	Opponent's Earlier Registered ISWATCH Mark			
2	• ∙swatch			

are well known in Singapore as at the Relevant Date.

105 I concluded above that the *Opponent's Earlier Unregistered SWATCH Mark* is well known in Singapore. 92 The same holds true here.

# Confusing connection

106 In relation to this element, the Court of Appeal in *Staywell* provided as such at [120]:

...As for the third element, the detailed analysis in Amanresorts has put it beyond doubt that the connection requirement of s 8(4)(b)(i) and s 55(3)(a) of the Act will be satisfied where there is a likelihood of confusion...

107 I am of the view that there will be no confusing connection here for largely the same reasons that I have provided for my conclusion in relation to the likelihood of confusion under section 8(2)(b).

#### Likelihood of Damage

108 In light of my conclusion above that there is no confusing connection, there can be no damage.

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

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

110 The relevant provisions of the Act read: 8(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

<sup>91</sup> As above

<sup>&</sup>lt;sup>92</sup> Under section 8(2)(b), in the context of the Opponent's claim that the *Opponent's Earlier Unregistered SWATCH Mark* can be regarded as an earlier mark.

is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if —

- (b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered
  - (i) if the earlier trade mark is well known to the public at large in Singapore;
    - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
    - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

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

Well-known to the public at large

- 111 Following the above, the critical question is whether the *Opponent's Earlier Unregistered SWATCH Mark* is well known to the public at large in Singapore as at the *Relevant Date*.
- 112 It is clear that the relevant provisions and case law which relate to the limb "well known in Singapore" (above) apply. Further, the following are pertinent:
  - (i) The test "well known to the public at large in Singapore" has to mean *more* than just "well known in Singapore". The mark has to necessarily enjoy a much *higher* degree of recognition. It has to be recognised by *most* sectors of the public though not so far as to all sectors of the public (*City Chain Stores* (*S*) *Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [13]).
  - (ii) A much more *extensive* level of protection is granted to trade marks which have attained the *coveted* status of being "well known to the public at large in Singapore". These form *a rare and exclusive class*, and are entitled to protection from use of a trade mark<sup>93</sup> on dissimilar goods or services even in the absence of a likelihood of confusion (*Amanresorts* at [233]).
- 113 A comparison of the Opponent's figures<sup>94</sup> with cases where the element was made out is as follows (for the avoidance of doubt, the table is a guide only):

	All figures pertain to activities in Singapore					
S/N	Mark	Expenditure on marketing	Exposure via physical sales outlets	Sales figures	Survey, if any	

<sup>&</sup>lt;sup>93</sup> Similar.

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<sup>&</sup>lt;sup>94</sup> The Opponent relied on the same submissions with regard to its claim that its marks are earlier unregistered marks which are well-known in Singapore (see [85] OWS).

1	Seiko <sup>95</sup>	More than \$4 million each year for 5 years	100 optical shops	\$14 million per annum for 5 years	70% of consumer awareness
2	Clinique <sup>96</sup>	\$3 million each year for 4 years	13 stores and counters	\$10 million per annum for 4 years	
3	Nutella <sup>97</sup>	NA	94-98% of stores in Singapore that sell food items	2 million units of "Nutella" bread spread sold every year	70% of consumer awareness
4	Intel <sup>98</sup>	US\$600 million per annum for 4 years		US\$1 billion per annum for 7 years	85% of consumer awareness
5	Gucci <sup>99</sup>	- "[I]n the region of hundreds of thousands of euros" "for many years, including in Singapore"100  - Exposure via approximately 30 publication.  - Exposure via social media (Facebook with 15.9 million likes; Instagram with 17.8 followers; Twitter with 4.97 followers; Youtube with	- Changi Airport, the Paragon shopping mall in Orchard Road, the Takashimaya department store in Orchard Road and at The Shoppes retail complex in Marina Bay Sands	"[M]ore than tens of millions SGD" for 5 years <sup>101</sup>	

<sup>95</sup> Seiko Holdings Kabushiki Kaisha (trading as Seiko Holdings Corporation) v Choice Fortune Holdings Limited [2014] SGIPOS 8

<sup>96</sup> Clinique Laboratories, LLC v Clinique Suisse Pte Ltd and another [2010] 4 SLR 510 ("Clinique").
97 Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd [2011] SGHC 176
98 Intel Corporation v Intelsteer Pte Ltd [2015] SGIPOS 2

<sup>&</sup>lt;sup>99</sup> Guccio Gucci S.P.A v Guccitech Industries (Private Ltd) [2018] SGIPOS 1 ("Guccitech").

<sup>&</sup>lt;sup>100</sup> See [14] of *Guccitech*.

<sup>&</sup>lt;sup>101</sup> See [13] of *Guccitech*.

		136,000 subscribers)			
6	SWATCH	An average of CHF 541,666 102 promotional expenditure per annum 103 for 6 years.	21 retail stores <sup>104</sup>	An average of CHF 6,783,333 <sup>105</sup> per annum for 6 years.	NA

- While it is certainly no mean feat to attain the figures above, I am of the view that, based on the evidence furnished by the Opponent, the *Opponent's Unregistered SWATCH Mark* is not "well known to the public at large in Singapore" at the *Relevant Date* for the following reasons:
  - (i) The sales and promotional figures, while impressive, still fall short of the examples above. 106
  - (ii) The Opponent claimed that it utilised social media via its Singapore Facebook page ([13] Opponent's 2<sup>nd</sup> GMCE SD). However, only a handful of the Facebook excerpts can be taken into account.<sup>107</sup> There are also no further details such as the number of likes.
  - (iii) The Opponent deposed that it "also engages in broad based marketing at the international level, through the Opponent's involvement and support of the arts and sports" ([14] Opponent's 2<sup>nd</sup> GMCE SD). However, as commented above, only one article<sup>108</sup> was included in the said evidence to support the claim, not to mention that as indicated above, the date of the article is far from clear.
  - (iv) The Opponent also provided excepts of marketing materials ([6] and [7] of Opponent's 3<sup>rd</sup> LP SD). There are a handful of publications including The

<sup>&</sup>lt;sup>102</sup> See above at [12] of the Opponent's 2<sup>nd</sup> GMCE SD. For ease of comparison, the promotional value for the the *Opponent's Unregistered SWATCH Mark* is approximately *SGD 751,102* per annum for 6 years at exchange rate of 1.38665 as at 5 December 2013 (oanda.com).

<sup>&</sup>lt;sup>103</sup> It includes the figure for 2013; however, it has been averaged out.

<sup>&</sup>lt;sup>104</sup> See above at [8] of the Opponent's 2<sup>nd</sup> GMCE SD.

<sup>&</sup>lt;sup>105</sup> See [9] of the Opponent's 2<sup>nd</sup> GMCE SD. Sales amount to approximately *SGD 9,406,109* per annum for 6 years at exchange rate of 1.38665 as at 5 December 2013 (oanda.com).

<sup>&</sup>lt;sup>106</sup> The closest example is *Clinique*. It is observed that there was a survey conducted although it pertained to the element "well known in Singapore" ([40] *Clinique*). There was no also further elaboration as to the locations the 13 stores in Singapore.

<sup>&</sup>lt;sup>107</sup> Some relevant excerpts are (i) *Swatch Zebra Day Event* – 1<sup>st</sup> *April 2011* at pages 154 – 155 of Opponent's 2<sup>nd</sup> GMCE SD; (ii) *Swatch for ZoukOut 2011* at pages 161 – 164 of the Opponent's 2<sup>nd</sup> GMCE SD; and (iii) *Swatch Most Wanted Stars! Juice DJ Quest 2012* at pages 165 – 168 of the Opponent's 2<sup>nd</sup> GMCE SD. <sup>108</sup> Pages 233 - 235 of the Opponent's 2<sup>nd</sup> GMCE SD.

Straits Times, <sup>109</sup> Facets<sup>110</sup> and Cleo<sup>111</sup>. But there are no further details as to, for example, the total reach of the publications.

- (v) The Opponent also deposed that it has 21 retail shops scattered throughout the island ([8] of the Opponent's 2<sup>nd</sup> GMCE SD). However, a closer look reveals that the shops are not evenly distributed, with most shops located in the central area. There is one each in the East<sup>112</sup> and the West<sup>113</sup> and none in the North of the island.
- 115 In coming to the above conclusion, I have not taken the Inter-brand report (Exhibit LP-2 of the Opponent's 1<sup>st</sup> LP SD) into consideration as the exact date of the publication is unclear.<sup>114</sup> Importantly, the mark as reflected in the report is not the *Opponent's Earlier*

# Unregistered SWATCH Mark, but Swatches 115

116 Nonetheless, in the event I am wrong, I will proceed to address the elements of dilution and unfair advantage.

Dilution in an Unfair Manner

117 The definition of "dilution" is set out in Section 2(1) of the Act as follows:

"dilution", in relation to a trade mark, means the lessening of the capacity of the trade mark to identify and distinguish goods or services, regardless of whether there is –

- (i) any competition between the proprietor of the trade mark and any other party; or
- (ii) any likelihood of confusion on the part of the public.

118 Further elaboration on the matter can be found in Law of Intellectual Property of Singapore (Sweet & Maxwell, 2014 Rev Ed) by Professor Ng-Loy Wee Loon ("Law of Intellectual Property of Singapore") at [21.5.51]:

(i) The marks, if not identical, *must be sufficiently similar* such that the public will make a mental association between the two marks, i.e. the perception of the later mark must call to mind the memory of the special well-known mark.

<sup>&</sup>lt;sup>109</sup> See page 64 of Opponent's 3<sup>rd</sup> LP SD which is an article entitled *Heavy Metal is a Swatch Surprise* dated 29 October 1988.

<sup>&</sup>lt;sup>110</sup> Pages 86 – 93 of Opponent's 3<sup>rd</sup> LP SD.

<sup>&</sup>lt;sup>111</sup> Pages 155 – 156 of Opponent's 3<sup>rd</sup> LP SD.

<sup>112</sup> Item 21 at Tampines Mall, unless one takes into account the counters at the airport.

<sup>113</sup> Item 7 at JEM.

<sup>&</sup>lt;sup>114</sup> The report is entitled *Best Swiss Brands 2013*. However, it is unclear as to whether it was published on or before the *Relevant Date*.

<sup>&</sup>lt;sup>115</sup> See item 26 at page 40 of the Opponent's 1<sup>st</sup> LP SD.

- (ii) But proving this mental association per se is not good enough. It must be further shown that there is a real and serious risk that this mental association would cause dilution of the distinctive character of the special well-known mark.
- (iii) There are *two ways* in which the distinctive character of the earlier trade mark can be diluted: (i) by blurring; or (ii) by tarnishing. *Dilution by blurring* reduces or erodes the strong capacity of the special well-known trade mark to exclusively identify the goods / services of its proprietor... *Dilution by tarnishing* degrades the reputation or the positive image of the special well-known trade mark...
- (iv) The dilution, by blurring or by tarnishing, must be caused "in an unfair manner"...

# [Emphasis in italics mine]

# 119 The Opponent argued at [85] OWS:

[85] As stated above, the Opponent's marks are well-known to the public at large by virtue of the extensive registrations, usage, marketing, promotion and advertising. The public at large *associates* the Opponent's marks exclusively with the Opponent and the Opponents goods of interest. The use of the Application Mark in relation to the goods for which registration is sought would fairly lessen the capacity of the Opponent's marks to identify and distinguish the Opponent's goods from those of others.

#### [Emphasis in italics mine]

120 I do not propose to go any further for it is apparent that the Opponent had not deemed it fit to make any submissions in relation to this limb beyond "[t]he public at large *associates* the Opponent's marks exclusively with the Opponent and the Opponents goods of interest" (above [85] OWS). This is clearly insufficient to make out a case. In any event, having regard to my conclusion above, the marks are clearly *not* sufficiently similar.

Conclusion on Section 8(4)(b)(ii)(A)

121 In light of the above, the ground of objection under Section 8(4)(b)(ii)(A) fails.

## *Unfair Advantage*

## 122 Again it is useful to refer to *Law of Intellectual Property of Singapore* (at [21.5.52]):

(i) Like dilution, existence of a mental association between the two marks *per se* is *not* sufficient.

- (ii) It must also be shown that there is a serious and real risk that, as a result of this mental association, there is "taking unfair advantage" of the distinctive character of the earlier trade mark.
- (iii) There is no statutory definition of what constitutes "taking unfair advantage". Case law has interpreted it to mean an attempt by a trader to increase his sales by "free-riding" or like a parasite feeding on the reputation of the earlier mark. ...In "taking unfair advantage", the complaint is that the proprietor of the later mark is unfairly deriving a positive benefit from the reputation of the earlier mark.

## [Emphasis in italics mine]

- 123 The principles are further expounded by the High Court in *Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd* [2011] SGHC 176 at [182] [186] ("*Ferrero*"). To summarise, there are *several factors* to consider in determining whether an unfair advantage had been taken. *None of the factors are determinative*, and in the final analysis, it must be shown that the alleged infringer had drawn some unfair advantage from the use of the similar sign ([182] *Ferrero*). Some of these factors include:
  - (a) The strength of the mark's reputation and the degree of distinctive character of the mark ([183] *Ferrero*).
  - (b) The degree of similarity between the marks at issue ([184] Ferrero).
  - (c) The nature and degree of proximity of the goods or services concerned ([185] *Ferrero*).
  - (d) The *immediacy and strength* with which the mark is *brought to mind* by the sign ([186] *Ferrero*).

## [Emphasis in italics mine]

## 124 The Opponent argued at [89] and [90] OWS:

[89] The Opponent has used the Opponent's Marks prior to the Applicant. The Applicant, in seeking to register the Application Mark, is seeking to ride upon the substantial goodwill and reputation of the Opponent in the Opponent's marks, and thereby benefit significantly from the same by way of a favourable association with the Opponent's marks and goods.

[90] Such use of the Application Mark in relation to the goods for which registration is sought would unjustly draw upon consumer's recollection of the Opponent's Marks in the course of trade in goods bearing the Application Marks and as such take unfair advantage of the distinctive character of the Opponent's Marks.

125 Again, apart from making the bare submissions above, the Opponent did not deem it fit to elaborate how this limb is satisfied. On my part, in light of the fact that there is only a low similarity between the marks, the strength and the immediacy with which the *Opponent's Unregistered SWATCH Mark* is likely to call up the Application Mark in the minds of consumers is marginal.

Conclusion on Section 8(4)(b)(ii)(B)

In light of the above, the ground of objection under Section 8(4)(b)(ii)(B) fails.

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

- 127 Section 8(7)(a) of the Act reads:
  - 8(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.

## Decision on Section 8(7)(a)

- 128 In relation to this ground, there are three elements to be established:
  - (i) Goodwill;
  - (ii) Misrepresentation; and
  - (iii) Damage.
- 129 Some further elaboration as to the law in relation to passing off:
  - (i) The Opponent must establish that it has acquired goodwill as at the *relevant date*, that is, the date on which the defendant's conduct complained of started. Applying this principle, it is the *Relevant Date* in this instance (*Law of Intellectual Property of Singapore* at [17.2.5]).
  - (ii) Goodwill, in the context of passing off, is concerned with goodwill in the business as a whole, and not specifically in its constituent elements. The issue of whether a mark or get-up is distinctive of a plaintiff's products or services is a question best dealt with in the context of the inquiry as to whether the defendant has made a misrepresentation (Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading [2016] 4 SLR 86 ("Singsung")). Evidence of sales and income of the business are a "proxy for the attractive force of the business" (Singsung at [58]). The "get up" can include various aspects of the business, including a mark (Law of Intellectual Property of Singapore at [17.2.10] [17.2.11]).

- (iii) Section 8(7)(a) of the Act at the very least requires an opponent to adduce sufficient evidence to establish a *prima facie* case on goodwill, misrepresentation, and damage (*Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] SGHC 216 at [164]).
- 130 It is not in dispute that the Opponent has the relevant goodwill in Singapore. 116

## Misrepresentation

- 131 I have already concluded above under section 8(2)(b) that there is no likelihood of confusion. In addition, as alluded to above, in an action for passing off, it is permissible for the Opponent to rely on their *get-up* (which includes the *Opponent's Earlier Marks*).
- 132 In this regard, I have already commented on the Opponent's evidence above, that the marks which are most commonly used (in addition to the *Opponent's Earlier Unregistered*

133 In light of the above, I am of the view that, on a balance of probabilities, there is no likelihood of misrepresentation that the Applicant and the Opponent are one and the same or that they are economically linked.

## Damage

134 As I have found that the element of misrepresentation has not been made out, there is no need for me to look into the element of damage.

#### Conclusion

135 The ground of opposition under Section 8(7)(b) therefore fails.

#### **Conclusion**

136 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. Accordingly, the Application Mark shall proceed to registration. The Applicant is also entitled to costs to be taxed, if not agreed.

Date of Issue: 15 January 2019

<sup>&</sup>lt;sup>116</sup> I concluded above at [26] that the *Opponent's Earlier Unregistered SWATCH Mark* is well known in Singapore.