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

Trade Mark No. 40201810134U Hearing Date: 25 February 2021

Further Submissions: 4 March 2021; 11 March 2021

# IN THE MATTER OF A TRADE MARK APPLICATION BY HARDWOOD PTE LTD

#### **AND**

# OPPOSITION THERETO BY GCIH TRADEMARKS LIMITED

Hearing Officer: Ong Sheng Li, Gabriel

Principal Assistant Registrar of Trade Marks

Representation:

Mr Melvin Pang and Mr Marcus Liu (Amica Law LLC) for the Applicant

Ms Celine Teo (Union Law LLP) for the Opponent

#### **GROUNDS OF DECISION**

#### Introduction

- 1 This trade mark opposition was commenced by the owner of the "TANGO" trade mark (registered in Class 30 for chocolate and cocoa products) against a competitor's application to register "OT TANGO" (in Class 30 for, among other things, chocolate and cocoa products).
- After due consideration, I have decided to allow the opposition. My reasons are set out below, followed by a postscript (see [103] onwards) setting out some observations on a technical issue that may be of interest to some trade mark practitioners: the role of distinctiveness at the marks-similarity stage under s 8(2)(b) of the Trade Marks Act (Cap. 332) ("TMA"). Different hearing officers and IP Adjudicators at IPOS have previously expressed varying opinions on this issue, and the postscript seeks to further develop the discussion.

# **Procedural background**

3 On 31 May 2018 (the "Relevant Date"), Hardwood Pte Ltd (the "Applicant") applied to register "**OT TANGO**", Trade Mark No. 40201810134U, in Class 30 (the "Application Mark") for the following goods:

#### Class 30

Wafers; waffles; cookies; biscuits; coffee; coffee-based beverages; coffee beverages with milk; artificial coffee; tea; tea-based beverages; chocolate-based beverages; cocoa; chocolate beverages with milk; cocoa-based beverages; chocolate; candies [sweets]; gummy candies; gelatin-based chewy candies; hard candy; candy; caramels [candy]; honey; cakes; malt biscuits; crackers; flour based savoury snacks; flour-based foodstuffs; cereal-based snack food; rice-based snack food; bread; noodles; instant noodles; vermicelli; processed cereals; cereal preparations; sauces; puddings; condiments; confectionery; fruit jellies (confectionery); ice cream; seasonings; pastries; peppermint sweets; edible ices; cheeseburgers [sandwiches]; hamburger sandwiches; hamburgers [sandwich with filling].

4 The Application Mark was opposed by GCIH Trademarks Limited (the "Opponent"). The Opponent is the proprietor of the registered marks (collectively: the "Opponent's Earlier Marks") set out below.

Trade Mark	Registration Date	Trade Mark Number	Class	Specification
TANGO ("TANGO Mark")	25 Oct 1991	Т9109669Н	30	Cocoa powder and products and chocolate in Class 30
Tango  Tango  Tango  Tango  Tango  Tango  ("Composite TANGO  Mark")	25 May 2010	T1006585A	30	Chocolates, chocolate confectionery, chocolate products, cocoa, cocoa products, biscuits, wafers, cookies, candy, sweets, chocolate beverages, cocoa beverages, cereal foods, flour and preparations made from cereals, bread, pastry and confectionery.

# **Grounds of opposition**

The Opponent relied on three grounds of opposition against the Application Mark. They were: ss 8(2)(b), 8(4)(b)(i) and 8(7)(a) TMA. (Two other grounds of opposition—namely: ss 7(1)(a) and 8(4)(b)(ii) TMA—were originally pleaded, but later withdrawn, following a Pre-Hearing Review held on 29 May 2019.)

# The parties

- The Opponent, a company incorporated in Hong Kong, is a subsidiary of Pan Malaysia Corporation Berhad ("PMC")—an investment holding company. PMC is in turn a subsidiary of Malayan United Industries Bhd ("MUI"). The companies in the MUI group of companies are involved in various sectors of trade, including the food business. MUI's food and confectionery division, known as Network Foods, operates a chocolate factory through Network Foods Industries Sdn Bhd ("NFI") in Shah Alam, Selangor, Malaysia. This chocolate factory produces TANGO chocolate and confectionery under a license from the Opponent (which holds registrations in a number of countries around the world—including in Singapore—for a range of TANGO trade marks). According to the Opponent: (a) the "TANGO" brand was conceived at least as early as 1991 (which is consistent with the registration date of the TANGO Mark); and (b) "TANGO" chocolate and confectionery have been sold worldwide and in Singapore since 1991 or 1992.
- The Applicant, a company incorporated in Singapore, is part of the Orang Tua Group ("OT Group"). The OT Group is based in Indonesia and is in the consumer goods business. It produces a wide range of daily necessities including food and beverages. According to the Applicant, the Application Mark was developed by the OT Group which first launched the OT TANGO wafer brand in Indonesia in 1994. The Applicant's claim was that the Application Mark was first used in connection with its products in Singapore in 2000. The Applicant holds and manages all the OT Group's intellectual property rights and assets. Insofar as Singapore is concerned, the Applicant has obtained registration of, or applied for, the trade marks below.

Trade Mark	Application/ Registration Date	Trade Mark Number	Class	Specification
Tango Kraffel Tango Kraffel	27 May 2014 Status: Registered	Т9109669Н	30	Wafers; wafer sticks; waffles; biscuits.

	24 June 2019	T1006585A	30	Wafers, Candy, Chocolate-based
Tango	Status: Pending (published)			beverages; Coffee- based beverages; Tea-based
Tango	(puonsilea)			beverages.

# **Statutory declarations**

- 8 Evidence was led in the usual way: via statutory declarations ("SD(s)").
  - a. Wong Shuk Fuen, a Director of NFI, gave evidence on behalf of the Opponent. I refer to Wong's SD as the "Opponent's SD".
  - b. Ng Chee Wooi Michael, a Director of the Applicant, gave evidence on its behalf. I refer to Ng's SD as the "Applicant's SD".
  - c. Wong also gave evidence in reply to Ng's evidence. I refer to Wong's second SD as the "Opponent's Reply SD".
- 9 Neither side applied for cross-examination. Consequently, the three SDs before this tribunal formed the entirety of the evidence in the proceedings. I will discuss the parties' evidence later where relevant and appropriate.

#### The hearing

- 10 The substantive hearing took place via video teleconference on 25 February 2021. Both sides were represented by counsel. In accordance with the standard timelines, both sides filed written submissions (which I refer to as the Opponent's Written Submissions and the Applicant's Written Submissions respectively) a month beforehand.
- Two weeks before the hearing, the Applicant filed supplementary written submissions ("Applicant's Supplementary Written Submissions"). Although the Opponent did not file supplementary written submissions, on the day of the hearing, Ms Teo (counsel for the Opponent) provided basic rebuttal submissions ("Opponent's Basic Rebuttal") in written form. To be clear, what both sides had done was permitted under the procedural rules and practices of this tribunal: see HMD Circular 5.2 at H.
- 12 At the close of the hearing, the Applicant was given leave to tender further submissions by way of letter in relation to a specific issue. The Opponent was also given the opportunity to respond by way of letter. Both sides did so in accordance with the given timelines.

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<sup>&</sup>lt;sup>1</sup> This document was e-filed after the hearing so that the case record would be complete.

# Opposition under s 8(2)(b) TMA

- 13 Section 8(2)(b) TMA provides that:
  - "8. (2) A trade mark shall not be registered if because —
  - (a) [omitted]
  - (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."
- Here, the earlier trade marks in question are the Opponent's Earlier Marks.

# The step-by-step approach

In Staywell Hospitality Group v Starwood Hotels & Resorts Worldwide [2014] 1 SLR 911 ("Staywell"), the Court of Appeal held that the provision entails a three-step test: First, are the competing marks similar? Second, are the goods identical or similar? Third, is there a likelihood of confusion arising from (or to use the words of the section: because of) the foregoing? All three steps must be established for the opposition under this ground to succeed. If any one step cannot be established, the opposition under this ground will fail.

# Dealing with the second step first

- 16 Staywell makes it clear that the proper approach is to assess the three steps in sequence. However, for reasons that will become clear shortly, it is convenient to deal with the second step before returning to the first step.
- Under the second step, I must compare the goods under *each* of the earlier trade marks relied upon (namely, the TANGO Mark and the TANGO Composite Mark) as against the goods applied for under the Application Mark. In brief, the Opponent's case was that a number of the respective goods are identical or at least very similar to each other. The Applicant did not contend otherwise and made "*no submission as to the similarity of goods*".<sup>2</sup>
- I begin with the TANGO Mark. In my judgment, it is obvious that a number of the goods for which the TANGO Mark is registered (namely: "cocoa powder and products and chocolate in Class 30") are identical to a number of goods for which registration was sought under the Application Mark, including the following: "chocolate based beverages; cocoa; chocolate beverages with milk; cocoa-based beverages; chocolate". The specification under the competing marks essentially relate to the same thing: chocolate and cocoa products.
- 19 A similar analysis applies to the TANGO Composite Mark, which is registered for, among other things, "Chocolates, chocolate confectionery, chocolate products, cocoa, cocoa products" and "chocolate beverages, cocoa beverages". Here too, the scope of the registration overlaps with that of the Application Mark. In my assessment, the goods of interest of the competing marks are identical insofar as they both relate to chocolate and cocoa products.
- I therefore find that the second step of the step-by-step test has been satisfied in relation to the TANGO Mark as well as the TANGO Composite Mark.

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<sup>&</sup>lt;sup>2</sup> Applicant's Written Submissions at [55]

# Returning to the first step: Are the competing marks similar?

21 Under the first step, the task is to compare the competing marks and come to a decision as to whether they are similar or not. The comparison is mark-for-mark, without consideration of any external matter (*Staywell* at [20]).

#### Focussing on the TANGO Mark

- Ordinarily, this tribunal is required to evaluate each of the earlier marks relied upon as against the Application Mark. However, in the present case, the focus of the assessment will be between "TANGO" (that is: the TANGO Mark) and "OT TANGO" (the Application Mark). There are a number of interconnected reasons why I adopt such an approach.
- 23 First, the Opponent's reliance on the TANGO Composite Mark was premised on the stylised word element: "Tango". It argued that this element is the distinctive and dominant component of the TANGO Composite Mark and that the other elements in the mark would be less significant. In the main, the Opponent's submissions were focussed on the comparison between the "Tango" word element versus the word mark "OT TANGO".
- Second, as between the two earlier marks relied upon by the Opponent, the TANGO Mark is undisputedly more similar to the Application Mark than the TANGO Composite Mark. To state the obvious, the TANGO Mark does not contain any additional words other than "TANGO". It possesses no other elements. As such, it represents the Opponent's strongest case in respect of the marks-similarity comparison.
- Third, I have found that the second step of the step-by-step test has been satisfied in relation to the TANGO Mark as well as the TANGO Composite Mark. In other words, the TANGO Composite Mark does not add anything to the Opponent's case under s 8(2)(b) TMA that is not already covered by the TANGO Mark. It offers no further strategic benefits. Therefore, the opposition under this section turns on the outcome of the conflict between the TANGO Mark and the Application Mark.
- 26 If "TANGO" and "OT TANGO" are found to be dissimilar (or a finding of no likelihood of confusion is made), it would stand to reason that the TANGO Composite Mark would be even more dissimilar (or less confusing). On the other hand, if the opposition based on "TANGO" succeeds, then the comparison between the TANGO Composite Mark and the Application Mark is academic.
- 27 For these reasons, the remainder of this decision will focus on the comparison between "TANGO" and "OT TANGO".

#### Outline of the parties' cases on marks-similarity

28 In brief, the Opponent's case was that: (a) the competing marks "TANGO" and "OT TANGO" were similar in that they shared "TANGO" as a common denominator; (b) "TANGO" is inherently distinctive in that it carries no meaning in relation to the goods in question and hence would be outstanding and memorable in the imperfect recollection of the average consumer; (c) the only difference between the marks was the element "OT" in the Application Mark; and (d) the element "OT" would not serve to distinguish the Application

Mark from "TANGO". Accordingly—or so the argument went—the marks would be visually, aurally and conceptually similar on account of the common word "TANGO".

In response, the Applicant acknowledged that "TANGO" is common to both marks. However, it contended that "OT", the first word in the Application Mark, would serve to distinguish the marks from each other. Its key arguments in this regard were as follows: (a) "OT" is an invented word and/or an abbreviation that is inherently distinctive; (b) because "OT" appears at the beginning of the Application Mark, it would be given more attention; and (c) "TANGO" possesses a low level of inherent distinctiveness. According to the Applicant, as "OT" is the distinctive and dominant element in the Application Mark, its presence renders the marks visually, aurally and conceptually dissimilar.

#### General principles relating to similarity of marks

- It is trite that three aspects or facets of similarity need to be considered: the visual, the aural and the conceptual. The law does not prescribe a requirement that all three aspects of similarity must be made out before the marks can be found to be similar. Each of these aspects are signposts towards answering the question of whether the marks are similar, and trade-offs can occur among the three aspects. The ultimate question is whether the marks, when observed in totality, are similar rather than dissimilar. (See *Staywell* at [17]-[18]; *Sarika Connoisseur Café Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") at [16].)
- In the analysis, the viewpoint that must be adopted is that of the average consumer of the goods or services in question 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. The average consumer has imperfect recollection and makes comparison from memory removed in time and space from the marks. For this reason, the competing marks cannot be compared or assessed side by side and examined in detail for the sake of isolating particular points of difference. Instead, what must be considered is the general impression that will likely be left by the essential or dominant features of the marks on the average consumer, since it is those features that tend to stand out in the consumer's imperfect recollection. (See *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 ("*Caesarstone*") at [27]; *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 ("*Hai Tong*") at [40(c)-(d)] and [62(a)]; *Staywell* at [23].)
- While not a separate element under the step-by-step test, distinctiveness is a factor that plays an integral role in the marks-similarity assessment. In trade mark law, the term "distinctiveness" is used in two senses: (a) the ordinary and non-technical sense; and (b) the technical sense. The former refers to what is outstanding and memorable about the mark in question i.e. the parts that tend to stand out in the consumer's imperfect recollection. As regards the latter, it carries a meaning that is the opposite of "descriptiveness", and refers to the capacity of the mark to function as a badge of origin. Technical distinctiveness may be inherent (e.g. where the words comprising the mark are meaningless) or acquired (through long-standing or widespread use). (See *Staywell* at [23] [24].)

#### Acquired distinctiveness at the marks-similarity stage

33 Although the general principles stated in the segment above were not in dispute, the parties disagreed on the specific issue of whether (and if so, the extent to which) evidence relating to technical distinctiveness may be taken into account in the marks-similarity assessment. Both sides made extensive submissions on the issue.

The conflict arose against the backdrop of the general principle that the more distinctive the senior mark, the more difficult it would be for the user of (or applicant for) the junior mark to escape a finding of similarity: see *Staywell* at [25] and *Sarika* at [36]. In *Han's* (*F&B*) *Pte Ltd v Gusttimo World Pte Ltd* [2015] 2 SLR 825 ("*Han's*")<sup>3</sup> (decision of George Wei JC, as he then was) at [109], the learned judicial commissioner expressed the proposition in the following way:

"In general, it appears that the more distinctive a mark, then the more compelling the degree of dissimilarity the defendant will have to demonstrate between his sign and the registered trade mark. Or to put the matter the other way round, the more distinctive the registered trade mark, the easier it will be to demonstrate the defendant's use of similar elements in his sign amounts to use of a similar sign. Conversely, "the more descriptive a mark, the greater the latitude afforded to the defendant in using words or ideas of a generic nature, even if these have some similarity to what is found in the registered mark" [citation and remainder of paragraph omitted]"

Building on the abovementioned proposition, the Opponent argued that the TANGO Mark enjoyed a greater (or enhanced) level of distinctiveness because it had used "TANGO" in Singapore in relation to wafers and confectionery since 1991 or 1992 through NFI (formerly known as Upali (Malaysia) Sdn Bhd). It pointed to evidence that these goods were sold in Singapore through supermarket chains (both in-store as well as online) such as NTUC Fairprice, GIANT, Sheng Siong and PRIME.<sup>4</sup> In its submission, the evidence strengthened the case for marks-similarity. To give a flavour of the evidence without going into too much unnecessary detail, I set out the sales and advertising figures for products under the TANGO Mark in Singapore in the 5 years before the Relevant Date in the table below.<sup>5</sup>

Year	Estimated Annual Sales in Singapore (SGD)	Estimated Advertising Expenditure (SGD)
2013	148,000	11,000
2014	131,000	10,000
2015	233,000	18,000
2016	267,000	22,000
2017	328,400	25,000

36 The Applicant's counterargument was that evidence of acquired distinctiveness is irrelevant at the marks-similarity assessment stage. For authority, it relied on the Court of Appeal's holding in *Staywell* at [20] that the assessment is mark-for-mark "without consideration of any external matter", for "such considerations are properly reserved for the

<sup>&</sup>lt;sup>3</sup> Although this was a trade mark infringement case, the proposition generally applies (with the appropriate modifications) to trade mark oppositions as well.

<sup>&</sup>lt;sup>4</sup> Opponent's SD at [16]

<sup>&</sup>lt;sup>5</sup> Opponent's SD at [14] – [15]

<sup>&</sup>lt;sup>6</sup> Applicant's Supplementary Written Submissions at [3] – [14]

confusion stage of the inquiry, because that is when the court is called upon to assess the effect of objective similarity between the marks, on the perception of consumers". The Applicant also relied on two decisions of this tribunal: Damiani International BV v Dhamani Jewels DMCC [2020] SGIPOS 11 ("Damiani") and Valentino S.p.A. v Matsuda & Co [2020] SGIPOS 8 ("Matsuda"). In both these cases, Staywell was interpreted as standing for the proposition that evidence of distinctiveness through use cannot be taken into account at the first stage.

- During the hearing, Ms Teo (counsel for the Opponent) submitted that the Applicant's interpretation was incorrect and maintained that evidence of acquired distinctiveness can be taken into account at the marks-similarity stage. In support, Opponent's counsel cited *Sarika* (at [20]) and *Hai Tong* (at [33]) as examples of cases in which the Court of Appeal had taken evidence of use into account at the first stage. Ms Teo also argued that Wei JC's decision in *Han's* as well as Chan Seng Onn J's decision in *Monster Energy Company v Glamco*, *Ltd* [2018] SGHC 238 ("*Glamco*") appeared to support the view that evidence of acquired distinctiveness through use can be taken into account at the first stage.
- I have considered the cases cited by the Opponent very carefully. To my mind, *Han's* and *Glamco* do not expressly deal with the issue of whether it would be verboten—having regard to *Staywell*—to take into account evidence of acquired distinctiveness through use at the marks-similarity stage. It appears that arguments on this issue were not made in those cases, and so the judges' rulings did not deal with it. As for *Sarika* and *Hai Tong*, they were decided before *Staywell* and thus do not advance the discussion on this specific issue. While the law in this area could do with a great deal more clarity, my reading of *Staywell* (at [20]) is that the Court of Appeal drew a distinction between the "issue of resemblance between the competing marks" (that is: the mark-for-mark comparison) and the "question of the effect of such resemblance" on the "perception of consumers" (that is: assessing the likelihood of confusion).
- 39 In this case, the Applicant's contention was that "TANGO" has a lower level of distinctiveness. However, it did not go so far as to argue that "TANGO" was devoid of distinctive character. As for the Opponent, it was *not* relying on evidence of use as a shield to defend against a trade mark invalidation claim on the basis of non-distinctiveness. Instead, the Opponent was relying on evidence of use as a whetstone to sharpen, or enhance, its case of confusing similarity against "OT TANGO".
- 40 At least in these circumstances, the evidence of alleged acquired distinctiveness through use was deployed towards the issue of the "effect of resemblance" on consumer perception instead of the issue of trade mark resemblance. Thus, it stands to reason that I should decline to take the Opponent's evidence of use at the marks-similarity stage. It should be reserved for the confusion assessment. For a more detailed discussion, see the postscript to this decision (which starts at [103] below).

#### Inherent distinctiveness of "TANGO"

41 I now turn to examine the role which "TANGO" plays in the marks-similarity analysis. It was the Opponent's undisputed evidence that "TANGO" is an English word that refers to a Latin American dance form.<sup>9</sup>

<sup>&</sup>lt;sup>7</sup> Opponent's Basic Rebuttal at p 9 – 10

<sup>&</sup>lt;sup>8</sup> Applicant's Written Submissions at [28]

<sup>&</sup>lt;sup>9</sup> Opponent's SD at [11]

- The abovementioned definition of "TANGO" formed a key plank for the Applicant's case that "TANGO" is inherently distinctive to a low degree. In advancing this submission, the Applicant argued that there was a link between tango (as a dance) and emotions such as romance or joy; themes which, in its submission, are commonly used by traders in the chocolate industry in connection with their goods and should therefore play a less significant role in the marks-similarity inquiry. The Applicant also submitted, in this connection, that "TANGO" partially describes or reflects a mood (e.g. romance or joy) associated with chocolate.
- 43 I find the Applicant's arguments on this issue to be unpersuasive. I accept that as an ordinary English word, "TANGO" would be inherently less distinctive than most invented word marks. But it does not follow that "TANGO" has a low level of inherent distinctiveness. The fact of the matter is that "TANGO" has no meaning in relation to the goods. There is no connection between tango as a dance form on the one hand and chocolate and cocoa products on the other. It is clear that the mark is inherently distinctive to an ordinary degree.
- Where does this leave the analysis? When all is said and done, the task is uncomplicated. The issue is whether "TANGO" and "OT TANGO" are similar on the whole. The Application Mark is, simply put, "TANGO" (an inherently distinctive mark) with the letters "OT" in front. The only difference between the two marks is "OT". Without "OT", the competing marks would be identical. Since "OT" is not an ordinary word in the English language, the issue of what "OT TANGO" means does not even arise. (This can be distinguished from a scenario where the addition of a word in front changes its meaning.)
- 45 In these circumstances, there is one essential question which remains. It is this: is the addition of "OT" in front of "TANGO" sufficient to render the marks dissimilar overall? To answer that question, it is necessary to first address the parties' arguments relating to the significance and role of "OT" in the assessment for similarity.

#### Significance and role of the "OT" element

- The Applicant's case was that "OT" in the Application Mark (as well as its other marks in Singapore: see [7] above) is an abbreviation or acronym for "Orang Tua"—the OT Group of companies that the Applicant is a part of. (Although irrelevant to the marks-similarity analysis, it is worth stating by way of background that the OT TANGO brand of wafers, biscuits and confectionery was launched in Indonesia in 1994, and exported out of Indonesia to a number of countries, including Singapore. It was also submitted in the alternative that "OT" should be regarded as an invented word that has no dictionary meaning.
- 47 The submissions outlined above were made to advance the Applicant's argument that "OT" was not only distinctive but also had high distinctive and dominant character. In this connection, the Applicant relied on two cases: (a) *Tiger Coatings GmbH & Co. KG v Seng Fong Paints Pte Ltd* [2019] SGIPOS 10 ("*Tiger Coatings*"); and (b) *Abercrombie & Fitch Europe SAGL v MMC International Services Pte Ltd* [2016] SGIPOS 6 ("A&F"). In *Tiger Coatings*, the acronym "LNK" was found to have stood out as a highly distinctive element.

<sup>&</sup>lt;sup>10</sup> Applicant's Written Submissions at [29]

<sup>&</sup>lt;sup>11</sup> Applicant's Written Submissions at [16] and Applicant's SD at [7]

<sup>&</sup>lt;sup>12</sup> Applicant's SD at [6]

<sup>&</sup>lt;sup>13</sup> Applicant's SD at [11] – [13]

<sup>&</sup>lt;sup>14</sup> Applicant's Written Submissions at [16]

Likewise, in A&F, the acronym was found to possess a high level of technical distinctiveness. For reference, I reproduce the relevant marks below.

The mark in <i>Tiger Coatings</i>	The mark in $A\&F$
LNK Brand  LNK Brand	7(7) A & F

- Another related line of argument put forward by the Applicant concerned the placement of "OT" as the first element in "OT TANGO". According to the Applicant, this meant that "OT" would be of greater importance since words at the beginnings of marks would tend to attract greater attraction and scrutiny. In this regard, it relied on *Glamco* (at [59(a)]) where the High Court found that the word "SWEET" in the application mark "SWEET MONSTER" served to visually differentiate the aforementioned mark from the earlier "MONSTER" trade marks. Notably, in *Glamco*, the presence of "SWEET" as the first word was found to be an "important difference given that an average consumer would read the mark from left to right" and "the consumer's attention is likely to be caught by the word "SWEET" first".
- 49 To my mind, "OT" is clearly a distinctive component of the Application Mark. Whether consumers know that it is an abbreviation for "Orang Tua" is neither here nor there; what really matters is that it has no meaning in relation to the goods for which registration was sought.
- However, I do not think that "OT" possesses a high distinctive character whether in the technical (badge-of-origin) sense or in the non-technical (memorable and outstanding) sense. Quite obviously, invented terms and/or acronyms are not all created alike; some are stronger than others on the distinctiveness spectrum. Every sign is different. One can readily follow the reasoning in *Tiger Coatings* and A&F. But "OT" is slightly different. It is a two-letter sign. While there is no rule of law which states that such signs are inherently less distinctive than three-or-more-letter signs, I think it is fair to say that two-letter signs are more commonly employed in commerce as acronyms rather than stand-alone marks. More importantly, in both *Tiger Coatings* and A&F, apart from the acronym elements "LNK" and "A&F" respectively, there were no other distinctive word elements present in the marks. (Needless to say, the word "Brand" has no distinctive character in the trade mark sense.) In contrast, "OT" here is followed by the additional distinctive element "TANGO".
- Since the meaning of "OT" is not immediately apparent to the beholder, its significance would be "diluted by its indeterminate character" (to borrow a phrase aptly coined by the Opponent). Consumers might perceive "OT" to be an acronym for a longer trade mark, but by simply looking at the Application Mark alone they would not know what it is. All things considered, since "OT" is not an ordinary English word, I am willing to accept that it is about as distinctive than "TANGO". In any case, its presence in the Application Mark would not significantly overshadow the distinctive character of "TANGO".
- 52 The unclear meaning of "OT" also diminishes its importance as the first element in the Application Mark. The situation here is quite different from "SWEET MONSTER". Since

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<sup>&</sup>lt;sup>15</sup> Opponent's Written Submissions at [44] and [46]

English is read left to right, the consumer's attention is likely to be first caught by "SWEET" in "SWEET MONSTER". But would "OT" have a similar effect? I think not. It is only human to search for meaning. Since it is unclear what "OT" stands for, whereas "TANGO" is at least a comprehensible word, consumers are likely to pay sufficient attention to "TANGO"; enough, at least, for it not to be overtaken by "OT".

In sum, I think that it is important not to overexaggerate the role that "OT" plays in the Application Mark. Nothing turns on the fact that "OT" comes first. Furthermore, "TANGO" is inherently distinctive for it says nothing about the goods in question, whereas "OT" is not a proper word in the first place. Even so, as stated earlier, "OT" is about as distinctive as "TANGO". I do not think that "OT" can be said to be the most dominant component of the Application Mark.

#### Visual similarity

- The visual similarity analysis largely tracks the above discussion on distinctiveness. It can be dealt with very quickly. It is plain to see that "TANGO" and "OT TANGO" would be visually identical but for the presence of "OT". In terms of visual impact, "TANGO", a five-letter word, would be much more striking than "OT", a two-letter sign. Put another way, "OT" weighs less in the visual comparison. Having regard to the distinctive character of the respective signs, I cannot see how "OT" is sufficient to tip the balance in favour of the Applicant.
- 55 In its submissions, the Opponent submitted that the marks are visually more similar than similar. <sup>16</sup> I would go further than that. To my mind, this is not a close-to-borderline situation. I consider the marks to be visually similar to a significant degree.

#### Aural similarity

- Next, the aural similarity assessment. It is clear from *Staywell* that there are two possible approaches that can be adopted in approaching aural similarity (see *Staywell* at [31] [32]); the first is to consider the dominant components of both marks ("Dominant Component Approach") and the second is to undertake a quantitative assessment as to whether the competing marks have more similar syllables than not ("Quantitative Approach").
- The Applicant's case under the Dominant Component Approach was that the first element "OT" would serve to distinguish the Application Mark from "TANGO". As regards the Quantitative Approach, the Applicant relied on *Clarins Fragrance Group f.k.a. Thierry derma Mugler Parfums S.A.S v BenQ Materials Corp.* [2018] SGIPOS 2 ("Clarins") where "Ongel" and "ANGEL" were found to be aurally dissimilar.
- The Opponent's case under the Dominant Component Approach was essentially that the aurally dominant component of the Application Mark is "TANGO" rather than "OT". While it acknowledged that some might pronounce the Application Mark as "O-T-TAN-GO" (that is, by verbalising the first two letters as "OH-TEE"), the Opponent pointed out that "OT" is not in itself a real word and therefore it would be only natural for consumers to focus on "TANGO" instead. The Opponent also argued that given the uncertainty as to how "OT" should be pronounced, it may not be appropriate to adopt the syllable-counting Quantitative Approach.

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<sup>&</sup>lt;sup>16</sup> Opponent's Written Submissions at [48]

- I would approach the assessment somewhat differently. I think that when consumers are presented with "OT", a two-letter component of indeterminate meaning, they would enunciate the letters individually, like so: "OH" "TEE". Uttering each letter separately diminishes the aural weight of "OT" because it acts as two separate elements rather than one whole. Therefore, "OT" cannot be said to be the dominant component of the Application Mark. Instead, "TANGO"—where the syllables "TAN-GO" would be spoken in very quick succession so as to form a complete word—would be the dominant component. Therefore, under the Dominant Component Approach the marks would be more similar than dissimilar.
- Insofar as the Quantitative Approach is concerned, it is important to not lose sight of the fact that syllables are really a way of organising sounds in spoken language by breaking words up into smaller bite-sized pieces with one vowel sound each. Letters are letters; syllables are syllables. Since "OT" is essentially an unfamiliar two-letter sign (and here it is worth observing that the Applicant did not argue that the sign should be pronounced "ought"), it would be derma artificial to treat it as a two-syllable word. This case is plainly very different from "ongel": a
- artificial to treat it as a two-syllable word. This case is plainly very different from "Griget": a sign where the first word is a *real* word of Latin / Greek origin (which finds its place in the English language as a prefix in words like "dermatologist").
- 61 For completeness, I should add that nothing turns on the fact that "OT" is the first component of the sign. At times, the first syllable may be given aural prominence, but not always. It is clear from the cases that the so-called first syllable principle should not be applied in a blanket fashion: see *Doctor's Associates Inc v Lim Eng Wah (trading as SUBWAY NICHE)* [2012] 3 SLR 193 at [35] and *FMTM Distribution Ltd vs Rolex S.A.* [2020] SGIPOS 6 at [52]. In this case, the first spoken letter is "O"—something that possesses much less aural weight than "TAN-GO". Whether alone or in conjunction with "T" (as in "OH-TEE"), the ear would not lose track of the syllables "TAN-GO", which are present in both marks.
- In these circumstances, I think that the Quantitative Approach is of limited assistance and would prefer the Dominant Component Approach over it. Even if syllables are counted, the marks would aurally coincide in the syllables "TAN-GO". Either way, I find that result is the same: the marks are aurally more similar than dissimilar.

#### Conceptual similarity

- It is well established that the conceptual analysis "seeks to uncover the ideas that lie behind and inform the understanding of the mark as a whole" (Staywell at [35]). As observed earlier, it was undisputed that "TANGO" has an ordinary meaning in the English language and refers to a type of dance.
- Next, "OT". As observed earlier, this component is meaningless. Whether or not "OT" is an acronym of "Orang Tua" or a brand of indeterminate origin is irrelevant. The analysis is concerned with the ideas behind the mark, and these ideas must manifest in the look and feel of the mark, and not in something that is known only to its creator: *Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2015] 3 SLR 321 at [43].
- 65 Since "OT" has no meaning, it is neutral in the conceptual similarity analysis. The fact that it appears before "TANGO" is irrelevant because a completely meaningless element cannot

modify the significance of the word that comes after it. Therefore, the marks are conceptually identical or at least highly similar in that as they both evoke and signify "TANGO" (a dance).

Before moving on, I note that the Applicant argued that the presence of "OT" introduces the idea of a brand or entity and that this would unlikely be overlooked by the consumer.<sup>17</sup> With respect, I am not sure how this helps the Applicant's case in any way. Quite the contrary, in fact, since it may well suggest to consumers that "OT TANGO" originates from, or is otherwise commercially linked to, the trade source of "TANGO". I address this point in further detail later in this decision under the subheading "*The 'house mark' issue*".

#### Conclusion on marks-similarity

67 I have found the competing marks to be visually similar to a significant degree, aurally more similar than dissimilar, and conceptually identical (or highly similar at the very least). When observed in their totality, the marks are similar to a strong degree.

#### Third step: Is there a likelihood of confusion?

- 68 Earlier, I found that the respective goods are identical insofar as they relate to chocolate and cocoa products. That satisfied the second step of the step-by-step test. The analysis now proceeds to the third and final step: likelihood of confusion.
- 69 It is well established that there are at least two aspects to the element of likelihood of confusion. The first is mistaking one mark for another. The second is where the relevant segment of the public may well perceive that the contesting marks are different, but may yet remain confused as to the origin which each mark signifies and may perceive that goods bearing the two marks emanate from the same source or from sources that are economically linked or associated. (See *Caesarstone* at [57]; *Hai Tong* at [74].)
- Ultimately, what is critical is that the likelihood of confusion must be brought about by the similarity between the competing marks and the similarity (or identity) between the respective goods and services in question. (See *Staywell* at [15].) Thus, the test requires the court or tribunal 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. (See *Staywell* at [55].) It is not necessary to show that a majority of the relevant public would be confused; instead, it is sufficient to establish that a substantial portion (which is more than a *de minimis* level) of the relevant public would likely be confused. (See *Hai Tong* at [78(e)].)
- 71 It is settled law that in assessing likelihood of confusion, certain factors may be taken into account whereas others cannot. The impermissible factors are those differences between the competing marks and goods which are created by a trader's differentiating steps. Such impermissible factors, which cannot be taken into account in the assessment because they are not inherent to the goods or services and are susceptible to changes which can be made from time to time, include: pricing differentials, (choice of) packaging, and other superficial marketing choices which could possibly be made by the trader. (See *Staywell* at [95].)
- The permissible factors, which include things like purchasing practices and degree of care paid by the consumer where acquiring the goods/services in question, are those which: (a)

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<sup>&</sup>lt;sup>17</sup> Applicant's Written Submissions at [52]

are intrinsic to the very nature of the goods/services and/or (b) affect the impact that the similarity of marks and goods has on the consumer. To my mind, this latter category is wide enough to encompass any relevant evidence of use and advertising that affects the impact that the earlier mark has on the mind of the consumer. Whether one uses the label "acquired distinctiveness through use" or "reputation", the point is that appropriate and relevant evidence of this sort may in certain circumstances (but not necessarily always) act as a signpost pointing towards a finding of likelihood of confusion.

# Outline of the parties' cases on likelihood of confusion

- According to the Opponent, it is common practice for traders in the chocolate and confectionery industry to make slight variations to their trade marks or to add house marks or product lines and it is thus likely that average consumers would be mistaken into thinking that "OT TANGO" is a sub-brand or variation of the Opponent's "TANGO". Under this central umbrella theme, the Opponent advanced the following arguments.
  - a. The notional fair use argument: 18 Although the Applicant was seeking to register "OT TANGO" in plain block letters, if the Application Mark was allowed to proceed to registration, it would enjoy protection for not only "OT TANGO" in block letters but also a range of notional fair uses, including variations of the mark in any font, typeface, lettering or style. If the Application Mark is allowed to proceed to registration, the Applicant would have an arguable defence that its use in the marketplace is covered by "OT TANGO" and therefore does not infringe the Opponent's earlier registration for the "TANGO" trade mark.
  - b. The actual use argument: 19 There was evidence that in the marketplace, the Applicant was emphasising "TANGO" as its primary mark on its product packaging by reducing the size of "OT" and placing it a visual distance away from the "TANGO" element. Indeed, the Applicant often simply referred to its products as "TANGO" alone rather than "OT TANGO". This is why resellers and consumers of the Applicant's products in Singapore at times referred to the Applicant's chocolate and confectionery as "TANGO" rather than "OT TANGO". Furthermore, there was evidence that the Opponent has continuously used the "TANGO" mark in Singapore since 1991 to date. In contrast, the Applicant's group of companies first launched "TANGO" wafers in Indonesia in December 1995 and the documentary evidence did not substantiate the Opponent's claim to have used the Application Mark in Singapore in 2000 (which in any case does not pre-date the Opponent's commercial presence in Singapore).
  - c. <u>The degree of consumer attention argument</u>: <sup>20</sup> The goods in question—being chocolate products and confectionery—are everyday goods which are not inherently expensive. This has an impact on the degree of care that consumers are likely to pay to their purchases (see *Staywell* at [96]) in that average consumers of such goods will not likely pay a heightened degree of attention nor exercise a greater level of fastidiousness when purchasing these goods.

<sup>&</sup>lt;sup>18</sup> Opponent's Written Submissions at [112] – [114]

<sup>&</sup>lt;sup>19</sup> Opponent's Written Submissions at [115] – [124]

<sup>&</sup>lt;sup>20</sup> Opponent's Written Submissions at [125] – [127]

74 In the main, the Applicant's counterarguments were focused on "OT" as the distinguishing factor between the marks. It emphasised that "TANGO" would be less significant since it is an ordinary English word that has been used by other traders in the chocolate/confectionery industry. On the nature of the goods and the characteristics of average consumers, the Applicant submitted that consumers of chocolates would be brand conscious and loyal to a specific brand, and therefore pay special attention as to where the products are coming from. Expanding on this argument, the Applicant submitted that average consumers would be conditioned to check that what they are purchasing is an "OT" brand of "TANGO" chocolate/confectionery as opposed to merely "TANGO". It was also argued that the products are generally self-serve items sold off the shelf in supermarkets and convenience stores, which would heighten the importance of the visual and aural impact of the "OT" element.

#### My findings

- 75 It is clear that the likelihood of confusion element has been established. This first and foremost flows from the fact that: (a) the competing marks are similar to a strong degree; and (b) the respective goods are identical insofar as they relate to chocolate and cocoa products. The strength of the similarities between the marks (which is not outweighed or displaced by "OT") and the identical goods strongly point towards a finding of likelihood of confusion.
- Further, there are no other relevant factors in play that would materially diminish the likelihood of confusion. In this regard, I agree with the Opponent that the goods in question are everyday products which would not attract a higher degree of attention. The degree of attention paid would be ordinary in nature. Even if one were to assume for the sake of argument that consumers would scrutinise the marks carefully, I do not think that would decrease the likelihood of confusion. Indeed, what is more likely is that average consumers would be misled into believing that "OT" is the manufacturer of "TANGO" chocolate/confectionery or is commercially linked to the same.
- Insofar as actual use is concerned, since I have found that the competing marks are similar to a strong degree, it is not necessary for me—and I thus decline—to make a finding that "TANGO" has gained a reputation or acquired distinctiveness through use. Be that as it may, I would make the following observations on the evidence.
  - a. First, the Opponent has advertised and sold chocolate/confectionery in Singapore in connection with the mark "TANGO" as well as variants of the sign (including the Composite TANGO Mark represented at [4] above) for a number of years. While its customers might not form a large proportion of the populace (as evidenced by the fact that its annual sales figures are in the lower hundreds-of-thousands range in Singapore-dollar terms), the Opponent has undoubtedly carved out for itself a respectable slice of the market in Singapore in connection with the "TANGO" mark.
  - b. Second, there was evidence that some chocolate/confectionery manufacturers outside of Singapore (e.g. in the US, Latin America, India and the UK) used "TANGO" in connection with their goods (in some cases as the main brand).<sup>22</sup> However, as the Opponent rightly pointed out, trade mark protection is

<sup>&</sup>lt;sup>21</sup> Opponent's SD at [16] – [22] and corresponding documents exhibited as Annexures H to P

<sup>&</sup>lt;sup>22</sup> Applicant's SD at [23] and corresponding Exhibit O

- territorial,<sup>23</sup> and therefore evidence relating to what other traders do abroad is irrelevant. Insofar as Singapore is concerned, until the Applicant entered the scene, there was no other trader using "TANGO" in connection with the relevant goods.<sup>24</sup> This reinforces the point that "TANGO" is distinctive.
- c. Third, I accept that the Applicant's products may have been marketed and sold in ways which gave the "TANGO" element some degree of prominence over "OT". Whether this manner of use amounts to infringement of the Opponent's TANGO Mark is for the courts to decide if legal proceedings are brought in that forum. Since it follows from my findings that the Application Mark should be refused, the issue of whether "OT TANGO" (if allowed to proceed to registration) would afford the Applicant a defence against infringement does not even arise.

#### Conclusion: s 8(2)(b) TMA

78 For the above reasons, I find that the likelihood of confusion element has been established. Since all three steps in the test have been established, the opposition succeeds under s 8(2)(b) TMA. Accordingly, I would refuse registration of the Application Mark.

# The 'house mark' issue

- 79 Before moving on, I need to address one final issue which admittedly gave me some pause prior to and during the hearing—but which I am now satisfied poses no obstacle to my final conclusion that the opposition should be allowed on the s 8(2)(b) TMA ground. Since it cuts across both the similarity of marks issue and the likelihood of confusion issue, I have taken the liberty of dealing with it here under its own separate subheading.
- 80 The issue concerns the "OT" element which may be perceived by average consumers as a distinctive house mark (even though they would not know what it stands for). Would its addition to "TANGO" be sufficient to distinguish "OT TANGO" from "TANGO"? After all, based on first principles, it may be argued that the addition of a new distinctive element to a sign may result in a new mark that is sufficiently differentiated from the original sign.
- At the end of the hearing, the parties were given leave to address the 'house mark' issue in writing. In its further submissions, the Applicant cited three cases which, in its submission, supported its stance that the addition of "OT" as a 'house mark' could sufficiently distinguish "OT TANGO" from "TANGO". These cases were: (a) *Dr. August Oetker Nahrungsmittel KG v Copesco & Sefrisa, S.A.* (Case R 1353/2008-1) ("*ETO Royal*") a decision of the OHIM<sup>25</sup> First Board of Appeal; (b) *In the matter of an opposition by Fiesta, S. A. to application No. 1,051,508 for the trade-mark RIO FIESTA & Design filed by Galletas Siro, S. A.* (2006) ("*RIO FIESTA*"), a decision of the Canadian Trade Marks Opposition Board; and (c) *VIVIL A. Müller GmbH & Co. KG v Twentieth Century Fox Film Corporation* (Case R 568/1991-1) ("*VIVIL MASH*"), a decision of the OHIM First Board of Appeal. I address each of them in turn.
- 82 In *ETO Royal*, the (European) Community application mark "ETO Royal" (a word mark) was sought to be registered in Classes 29 and 30 in respect of a range of food products. The

<sup>&</sup>lt;sup>23</sup> Opponent's Reply SD at [63]

<sup>&</sup>lt;sup>24</sup> This was also confirmed by counsel during oral argument.

<sup>&</sup>lt;sup>25</sup> OHIM was the predecessor of the European Union Intellectual Property Office (EUIPO)



opponent's earlier trade marks were the following stylised "ROYAL" marks: "

". The Board of Appeal found the marks to have a "low level of similarity" and that there were "sufficient differences between the marks to preclude a likelihood of confusion even regards identical goods". Integral to the Board's conclusion was the finding that "ROYAL" was a "very common and basic English / French word used in relation to almost any category of goods or services" which would enjoy "limited protection".

The Applicant argued that a number of parallels could be drawn between this case and *ETO Royal*. It analogised "OT" to "ETO" and "TANGO" to "ROYAL". While I can see the similarities, I think that there is a crucial difference between the cases. To my mind, the portion of the application mark that communicated trade source was really "ETO" and not "Royal". As the Opponent rightly pointed out, *ETO Royal* did not turn solely on the fact that "ROYAL" is an ordinary English / French word; far more important was the finding that "ROYAL" lacked distinctiveness in relation to food products because of its laudatory meaning (as a reference to products of superior quality) and common use in relation to food. The present situation is not on all fours because "TANGO" is neither descriptive nor laudatory of the goods. Here, "TANGO" serves as a distinctive badge of origin. Therefore, *ETO Royal* is distinguishable.



84 Next, *RIO FIESTA*. There, the application mark (note: the elements above "RIO FIESTA" include the house mark "RIO" and the words "SAVOURY BISCUITS") was sought to be registered in Class 30 in respect of various food products. The opposition was

premised on, among other things, the opponent's earlier mark " ". In rejecting the opposition, the Canadian Trade Marks Opposition Board found, among other things, that "FIESTA" (which means party or celebration in English) possessed a "slight suggestive or laudatory connotation when used with confectionery products" and thus the opponent's mark was "not an inherently strong mark". By way of contrast, the application mark was found to be an "inherently stronger mark". Ultimately, owing to the differences between the marks, the Board concluded that there was no reasonable likelihood of confusion.

85 In my assessment, the Applicant's reliance on *RIO FIESTA* was ultimately misplaced for two main reasons. First, the application mark in that case was a relatively complex composite mark with several other distinguishing elements including the additional house mark "RIO" above "RIO FIESTA". These play a significant role in differentiating the marks from each other. Second, while it is only natural for parties and celebrations (in a "FIESTA") to be associated with food products, Latin dance has no such associations with chocolate. "TANGO" is distinctive and does not have any laudatory connotation in relation to the goods.

86 Finally, *VIVIL MASH*. In that case, the (European) Community application mark "MASH" was sought to be registered in Class 30 for various food products (the goods of interest being essentially bakery goods, confectionery and related products). It was opposed on

the basis of an earlier German registration for the word mark "VIVIL MASH" registered in Class 30 for chewing gum. The Board of Appeal's finding was that there was a low degree of similarity between the signs and an even lesser degree of similarity between the goods, thus leading to the conclusion that no likelihood of confusion existed. Adopting similar lines of analysis as the other cited cases, the Applicant sought to compare "VIVIL" (which in that case had been used as a house mark) as being akin to "ETO" and "MASH" to "TANGO".

- Once again, I am not persuaded that the analogy holds true. First, although the Board in *VIVIL MASH* did not expressly frame its analysis in the following terms, one of the arguments advanced by the successful applicant was that "MASH" in "VIVIL MASH" has a descriptive connotation in relation to chewing gum in that it refers the act of mashing or chewing the gum in the mouth, whereas it does not have that same connotation when used in connection with bakery goods and confectionery. In contrast, "TANGO" is distinctive of the goods in issue. Second, "VIVIL" was found to be visually, phonetically and conceptually stronger out of the two terms. "OT" does not have that same effect. Third, there was a low degree of similarity between the goods in *VIVIL MASH*, whereas the goods in this case are identical.
- 88 For completeness, I should mention that the Applicant also provided extracts from the Trade Marks Register which in its submission showed that "the practice of adding a house mark to distinguish competing trademarks is commonplace" and that there can be "peaceful coexistence that can be brought about by the addition of a distinctive house mark", whether "acronym-based" or otherwise. I do not think that anything turns on it. There is well established guidance that "the state of the register does not tell you what is actually happening out in the market and in any event one has no idea what the circumstances were which led to the registrar to put the marks concerned on the register" (see British Sugar PLC v James Robert [1996] RPC 281 at 305 cited in Marvelous AQL Inc [2017] SGIPOS 3). In some other situation, extracts from the Register may be of assistance, but not so here.

# Opposition under s 8(7)(a) TMA

- 89 Since I have allowed the opposition under s 8(2)(b) TMA, my views in relation to s 8(7)(a) TMA are, strictly speaking, academic. Nevertheless, for completeness and in case it is of assistance, I briefly set out my findings and conclusions in the paragraphs that follow.
- 90 Section 8(7)(a) TMA provides that a trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented "by 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".
- 91 The classic elements of the tort of passing off are: (a) goodwill; (b) misrepresentation; and (c) damage. The key principles relating to each element have been discussed in a number of decisions of the Court of Appeal, including *Staywell*, *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] 4 SLR 86 ("Singsung") and Novelty Pte Ltd v Amanresorts Ltd [2009] 3 SLR(R) 216 ("Amanresorts"), which I have had regard to.

#### Goodwill

92 Goodwill "describes the state of the trader's relationship with his customers" (see Singsung at [32] citing The Singapore Professional Golfers' Association v Chen Eng Waye

<sup>&</sup>lt;sup>26</sup> Applicant's Further Submissions (by way of letter) at [21] – [25] and corresponding Annex B

[2013] 2 SLR 495 ("SPGA") at [22]). In practice, goodwill may be proved "by evidence of sales or of expenses incurred in promoting the goods and services in association with the mark, brand or get-up which they bear" (Singsung at [34] citing SPGA at [22]).

The Opponent's evidence showed that it had used and advertised its "TANGO" marks in Singapore in connection with chocolate and confectionery for a number of years pre-dating the Relevant Date (31 May 2018). The Applicant did not contest this and made no submission as to the Opponent's goodwill in Singapore.<sup>27</sup> I find that this element has been established.

# Misrepresentation

- 94 Distinctiveness is a threshold inquiry in the context of determining whether an actionable misrepresentation has taken place (see Singsung at [38]). Above, under the s 8(2)(b) TMA ground, I rejected the Applicant's argument that "TANGO" has low distinctive value and found that "TANGO" possesses an ordinary level of distinctiveness. I also found that prior to the Applicant's entry into the marketplace, the Opponent was the only one in Singapore using "TANGO" as a trade mark in relation to the goods. Those findings apply here as well.
- A common form of misrepresentation is where the trade mark applicant's choice of mark "misrepresents to the relevant public that its goods or services are actually those of, or are related to or associated with the claimant's" (see SPGA (at [25]). Above, in the context of s 8(2)(b) TMA, I found that: (a) the marks are similar to a strong degree; (b) the goods are identical insofar as they relate to chocolate and cocoa products; and (c) there exists a likelihood of confusion. For substantially the same reasons, I also find that the presence of "TANGO" in "OT TANGO" communicates and misrepresents to average consumers that the goods offered under "OT TANGO" are that of, or commercially connected to, the Opponent.
- For completeness, I should mention that although the likelihood of confusion analysis under s 8(2)(b) TMA and the misrepresentation analysis under s 8(7)(a) TMA broadly follow similar lines of logic, the two approaches are not identical. For example, in the passing off assessment it is permissible to consider 'extraneous factors' which cannot be taken into account under s 8(2)(b) TMA (e.g. steps taken by the alleged tortfeasor to differentiate the marks in the marketplace). The Applicant pointed to, among other things, the Opponent's use of the TANGO

(which contains the tagline "It takes two to eat") and the colour purple on product packaging (which the Applicant did not use). However, I think that nothing turns on these factors. It is not uncommon for chocolate/confectionery manufacturers to change the colour of their packaging, add new product lines, or add new taglines. Moreover, such superficial changes do not detract from fact that the whole of the distinctive sign "TANGO" has been incorporated into "OT TANGO". Therein lies the misrepresentation.

#### Damage

The third and final element is damage, or the likelihood thereof, to the claimant's 97 goodwill. Here, the products are in direct competition. In such circumstances, the misrepresentation is likely to result in damage to the Opponent's goodwill through diversion of sales or loss of sales (see *Hai Tong* at [118]). I find that this final element has been established.

<sup>&</sup>lt;sup>27</sup> Applicant's Written Submissions at [79]

# Conclusion: s 8(7)(a) TMA

98 For the reasons above, I would also allow the opposition under s 8(7)(a) TMA.

#### Opposition under s 8(4)(b)(i) TMA

- 99 In layperson terms, s 8(4)(b)(i) TMA prohibits the registration of trade marks which conflict with an earlier well-known trade mark provided certain conditions are met. To succeed under s 8(4)(b)(i) TMA, four elements need to be established by the Opponent: (a) "TANGO" was well known in Singapore as at the Relevant Date (i.e. 31 May 2018); (b) "OT TANGO" is identical or similar to "TANGO"; (c) the use of the "OT TANGO" in relation to the goods and services for which registration is sought would indicate a connection between those goods and services and the Opponent; and (d) the connection is likely to damage the Opponent's interests.
- 100 Generally speaking, the analysis in respect of the second and third elements identified above follows similar contours as the marks-similarity analysis and the likelihood of confusion analysis respectively under s 8(2)(b) TMA (see *Amanresorts* at [226] and [233]). As regards the fourth element, I have found in the context of the s 8(7)(a) TMA analysis that there would be damage arising from loss or diversion of sales. My findings and conclusions above would therefore apply to these elements here as well. As a practical matter, this ground of opposition does not add anything material to the Opponent's case that is not already covered by the other grounds of opposition.
- 101 The only element that remains unaddressed is the first one: whether "TANGO" was well known in Singapore as at the relevant date. Since it is unnecessary for me to decide the point in light of my conclusion that the opposition should be allowed under s 8(2)(b) TMA and/or under s 8(7)(a) TMA, I would refrain from make any findings in this regard.

#### **Outcome**

102 For the reasons above, the Application Mark is refused registration, with costs to the Opponent to be taxed if not agreed.

#### Postscript: additional views on the role of distinctiveness at the marks-similarity stage

- 103 In the paragraphs that follow, I set out my additional views on the role of distinctiveness at the marks-similarity stage of the s 8(2)(b) TMA assessment. Counsel for both sides dealt with the topic in some detail in the course of their submissions. However, nothing in the main decision actually turned on this point. Even though the discussion is academic, it is an important conversation to have. Therefore, I have decided to deal with it here as a postscript.
- 104 I have previously expressed variously observations on this topic.<sup>28</sup> This case presents an opportunity to revisit it. I begin with what appears to be the source of the difficulty: *Staywell* at [20]. It is reproduced below. For context, the preceding paragraphs of *Staywell* (see [14] [19]) concerned the interlinked issues of: (a) whether the threshold of marks similarity is a low one (short answer: no); and (b) the proper approach to assessing marks similarity.

<sup>&</sup>lt;sup>28</sup> See e.g. Clarins at [20] – [25], B.R. v Elements Cosmeceuticals Pte. Ltd. [2021] SGIPOS 3 at [21] and Monster Energy Company v Mixi, Inc. [2017] SGIPOS 12 at [33] – [38]

"Finally, on this issue, we reiterate that the assessment of marks similarity is mark-formark without consideration of any external matter: see *Mediacorp*<sup>29</sup> at [33], *Sarika* at [17] and *Hai Tong* at [40(b)]. This means that at the *marks similarity stage* this even extends to not considering the relative weight and importance of each aspect of similarity having regard to the goods. This does not mean that the court ignores the reality that the relative importance of each aspect of similarity might vary from case to case and will in fact depend on all the circumstances including the nature of the goods and the types of marks, as we observed at [40(b)] of Hai Tong. Rather, such considerations are properly reserved for the *confusion* stage of the inquiry, because that is when the court is called upon to assess the effect of objective similarity between the marks, on the perception of consumers. We recognise that this reflects a slight departure from the approach taken by the High Court in Festina Lotus SA v Romanson Co Ltd [2010] 4 SLR 552 at [55]–[56], and by this court in *Sarika* at [38]. We think that this is conceptually clearer because it recognises that the issue of resemblance between the competing marks is distinct from the question of the effect of such resemblance. A practical application of this approach can be found in European jurisprudence: see Mystery drinks GmbH v OHIM, T 99/01 [2004] ETMR (18) 217 and Phillips-Van Heusen Corp v OHIM [2004] ETMR 60. In these cases the court considered, respectively, the particular significance of aural similarity in relation to beverages normally sold by oral order, and visual similarity in relation to clothing normally sold based on the consumer's direct perception, both for the specific purpose of determining whether consumer confusion was likely to arise."

(italics original, emphasis in underline added)

105 At least three observations may be made regarding the passage above. First, the rule that the comparison is "mark for mark without consideration of any external added matter" is not a new one. Mediacorp, Sarika and Hai Tong were simply restating a long-standing proposition. Second, the underlined portions above suggest that the Court of Appeal was seeking to rectify a specific type of situation: cases such as Festina Lotus SA v Romanson Co Ltd [2010] 4 SLR 552 ("Festina") and Sarika where a particular facet of similarity (viz. visual, oral or conceptual) was given prominence having regard to, among other things, the way the goods or services were purchased. The passage makes clear that it is no longer permissible to prioritise certain aspects of similarity (e.g. visual or aural) over others (e.g. conceptual) in the assessment for mark similarity because such considerations should be reserved for the likelihood of confusion stage. Third, the key holding in the above passage is essentially this: in reserving certain considerations for the third stage, the test draws a distinction between the issue of resemblance (which is what the marks-similarity first stage is all about) and the effect of objective similarity on the perception of consumers (which is fundamentally a likelihood of confusion issue).

106 Now for the complicated part: how does distinctiveness play into all of this? Can the prohibition against external matter in the first stage of the assessment be reconciled with the

component in the mark would be visually or aurally significant having regard to the ways that the goods could be purchased by consumers (e.g. online or in a shop). And in *Sarika*, the Court of Appeal held that the visual and aural aspects of similarity would be more important than the conceptual having regard to the fact that consumers would visually select and verbally order the "Nutello" drink in the appellant's cafés.

<sup>&</sup>lt;sup>29</sup> MediaCorp News Pte Ltd v Astro All Asia Networks plc [2009] 4 SLR(R) 496 ("Mediacorp")

<sup>30</sup> In Festina, the High Court considered, among other things, whether the word "FESTINA" or the crest

holding that technical distinctiveness "is an integral factor in the marks-similarity inquiry" and the principle that "a mark which has greater technical distinctiveness enjoys a higher threshold before a competing sign will be considered dissimilar to it"? (See Staywell at [25].) After all, technical distinctiveness can be inherent (in which case it is relevant to consider the meaning of the sign from the perspective of average consumers having regard to the goods or services in question) or acquired through use (in which case it is relevant to consider evidence of actual use and advertising). Either situation imports some sort of external matter into the analysis. Another way of looking at it is this: distinctiveness appears to blur the distinction drawn in Staywell between the issue of resemblance and the effect of resemblance because, by nature, distinctiveness has to be assessed through the lens of the relevant public.

107 In the main decision, I touched on *Han's* and *Glamco* and expressed the view that they ultimately do not materially advance the discussion. I do not propose to delve into those cases in detail. Instead, I will continue the discussion by reference to some earlier decisions of this tribunal. Different hearing officers and IP Adjudicators have expressed varying opinions on the topic. At the risk of oversimplification, I would categorise the cases into two broad categories.

108 The first, which I shall call the contextual approach, was formulated in *Monster Energy Company v NBA Properties, Inc.* [2018] SGIPOS 16 ("*NBA*") (decision of IP Adjudicator Burton Ong) (at [41] – [48]) and endorsed in *Swatch AG v Apple Inc.* [2019] SGIPOS 1 ("*IWATCH*") (decision of Principal Assistant Registrar Sandy Widjaja). In *NBA*, the application

mark was "and the opponent's earlier trade marks were "and "months argument was that consumer recognition of the words "TORONTO RAPTORS" as an NBA team should be a relevant factor in the visual analysis. The essence of the contextual approach is set out in NBA at [46]-[48], which I reproduce in relevant part below:

"46 In my view, how the average consumer *understands* what he sees (which is the essence of the mark-similarity analysis) must necessarily depend on *what he knows*. As such, the knowledge of the average consumer, and *how* he is likely to *understand* or *interpret* the word device element of a composite mark, must be relevant to mark similarity assessment. What words (or images, for that matter) *mean* to the average consumer must be evaluated contextually. It follows that the parties should be permitted to adduce evidence of those surrounding circumstances that are relevant towards establishing the general knowledge possessed by the average consumer. To consciously ignore this context would entail the adoption of a highly contrived, and artificially blinkered, approach towards mark-similarity assessment that is incompatible with the commercial realities within which the trade mark regime operates.

There is no need for me to decide if "TORONTO RAPTORS" is in fact widely known to the public or not, even though the veracity of the Applicant's evidence was largely unchallenged by the Opponent. In my view, the average Singapore consumer may or may not recognise "TORONTO RAPTORS" as the name of a basketball team in the NBA league. However, the average Singaporean consumer would possess a level of common general knowledge that would lead him or her to infer that these words refer to the name of a sports team since it is a fairly common naming convention to preface and pair a team's informal name with its city of origin (e.g. the SINGAPORE LIONS or SINGAPORE SLINGERS). This understanding of what the words mean may influence how the stylised graphic device element is perceived and interpreted. Would

taking into account these facets of "extrinsic" consumer knowledge run contrary to the seemingly strict "mark-for-mark without consideration of any external matter" mark similarity assessment approach demanded by the Court of Appeal?

I would think not. [...] Taking into account the knowledge of the average consumer for the purposes of determining how the components of a particular mark are perceived, interpreted and understood would not jeopardise this conceptual distinction. In fact, having regard to the knowledge of the average consumer is indispensable in order to accurately identify and understand *what* is seen or understood by the average consumer (for the purposes of assessing visual similarity), *how* words are pronounced or heard by the average consumer (for the purposes of assessing aural similarity) and *what* connotations are conjured up in the mind of the average consumer perceiving the mark (for the purposes of assessing conceptual similarity)."

109 The contextual approach has much to commend it, and I agree with it to the following extent. In certain cases, contextual evidence and information provides invaluable insight as to how the notional average consumer would perceive the marks in question. This can be essential in evaluating the more unusual disputes (e.g. where the signs involve obscure words or foreign words). Consider, for instance, B.R. v Elements Cosmeceuticals Pte. Ltd. [2021] SGIPOS 3 ("B.R."), a case I decided recently. In that case, the word elements of the competing marks were "Recherché" and "BIOLOGIQUE RECHERCHE". Both parties relied on dictionary evidence which defined "recherche" as a French word that could be translated as "rare", "refined", or research". There was also evidence that "recherche" is an English word—albeit a loanword from the French language. Among other things, the assessment took into account the realities of the situation: namely, that "recherche" is an exceedingly obscure word in the English language and the public in Singapore is not presumed to know French. (See B.R. at [26] and the reasons given in [24]-[30].) Should contextual dictionary evidence and considerations such as the linguistic knowledge and capabilities of the average consumer in Singapore be eliminated from the first stage of the assessment? I think not. Such matters are internal to the marks in issue. They set the stage for how the relevant public would perceive the competing marks in question (including, among other things, how they would perceive the distinctive and dominant components of a composite mark). Without this sort of background, the visual, aural and conceptual assessment would be artificial and contrived.

However, my difficulty with the contextual approach as expressed in *NBA* is that it may come too close to the border of what is permissible and what is not.<sup>31</sup> Allow me to explain. On the specific facts of *NBA*, the learned IP Adjudicator saw no need to, and ultimately did not, make a finding as to whether "TORONTO RAPTORS" was factually known to the public in Singapore. All he said was that the "*knowledge of the average consumer*" can be taken into account in determining how the components of a particular mark are perceived, interpreted and understood. Nevertheless, the language of the decision seems to suggest that he was open to the possibility that evidence of "*public activities which may have shaped consumer knowledge of, and familiarity with, a word mark*" (see *NBA* at [41] and [46]) could be taken into account

<sup>&</sup>lt;sup>31</sup> To be clear, the decision in *NBA* did not actually go so far as to expressly state that evidence of acquired distinctiveness can be taken into account at the marks-similarity stage. But the larger and more significant point is this: one must be exceedingly careful when considering evidence or factors which impact on the actual knowledge of average consumers. If such knowledge arises as a result of a trader's market activities (for example sales or advertising in connection with the mark), this is something that relates to the *effect of resemblance* on average consumers rather than the *issue of resemblance* as between the marks.

at the marks-similarity stage. The danger with framing the portal (to what constitutes permissible evidence) in this way is that in commerce, "public activities" conducted by (or connected to) a trader are always linked to advertising and sales in some way or another. That is the whole point of business. Traders do not engage in public activities in a vacuum. They do it to increase sales or at least exposure of their trade marks to the public. This in turn impacts the *effect of resemblance* of the marks on the perception of average consumers. And the proper place for evidence relating to the effect of resemblance is—as I have found earlier—the likelihood of confusion assessment (not similarity of marks).

111 The second approach, which I shall refer to as the mechanical approach, is represented by cases such as *Damiani* (decision of IP Adjudicator Jason Chan) (at [24]) and *Matsuda* (decision of IP Adjudicator David Llewelyn) (at [20] and corresponding explanatory footnote 1). In brief, these cases take the position that it would be inconsistent with *Staywell* to take into account contextual evidence, or indeed any evidence of use, at the mark similarity stage. I reproduce footnote 1 of *Matsuda* in material part below.

"I note that in the IWATCH decision, [2019] SGIPOS 1 [reference to submissions omitted] the Hearing Officer cited the statement by the IP Adjudicator in NBA Properties [2018] SGIPOS 16 at [46] that "the parties should be permitted to adduce evidence of surrounding circumstances that are relevant towards establishing the general knowledge possessed by the average consumer" and stated that she was "inclined to agree", at [35]. With the greatest of respect to both the IP Adjudicator and the Hearing Officer, I do not consider that adopting such a position in opposition proceedings is consistent with the wording of the Court of Appeal's decision in Staywell, especially at [20], and opens the door to parties adducing much irrelevant evidence (with attendant cost consequences for both adducer and the party having to respond to it). Contextual evidence may be adduced by the Opponent only in relation to the third, likelihood of confusion, step where the greater protection accorded by the statutory regime to an earlier registered mark that has acquired (or, more accurately, heightened) its distinctiveness through use is an important factor. Conversely, the first and second steps, on evaluating similarity, are made by taking the application mark and the goods for which registration is sought and simply comparing with the opponent's earlier mark as appears on the Register and the goods for which it is registered. Whether the opponent's earlier registered trade mark has or has not acquired (additional) distinctiveness through use after registration is not relevant at that stage (after all, unless it has at least some inherent distinctiveness - or had acquired distinctiveness under s.7(2) TMA at the time of application - it would not have been registered): all that is required in the first two steps is a common-sense overall comparison of mark-formark." (Notes in square parenthesis added.)

112 The mechanical approach is elegant. I agree with it to the following extent. First, the approach is unquestionably right in saying that what is required is a "common-sense overall comparison of mark-for-mark". Second, I wholeheartedly agree with the need, at the marks-similarity stage, to guard against "much irrelevant evidence". Third, I am also of the view that evidence of enhanced distinctiveness acquired through use should be reserved for the likelihood of confusion. However, I am not sure how the mechanical approach would operate in cases where the evidence sought to be considered is contextual evidence that is independent of the trader's public activities (such as dictionary evidence in the B.R. case).

113 I can only end with the hope that someday the High Court or the Court of Appeal will provide clarity to the issues described above.

Date of issue: 3 June 2021