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Design Law Reform Conference 2017 - *The Future of Design, Design for the Future*

The Senior Minister of State for Law and Finance, Ms. Indranee Rajah S.C., delivered the keynote address at the Design Law Reform Conference 2017 convened by the National University of Singapore E.W. Barker Centre for Law and Business and the Oxford Intellectual Property Research Centre at the University of Oxford.

The Ministry of Law and the Intellectual Property Office of Singapore completed the review of Singapore's registered designs regime in March 2016. It was aimed at enhancing support to the design industry, as well as complementing the Design Masterplan 2025 which had recommended that businesses capitalize on IP in value creation through design innovation.

The Design Law Conference 2017 was part of a research project to explore the role and shape of design protection. It brought together a stellar group of leading scholars, experts from the legal profession, academia, policy makers, and industry design leaders from Australia, China, Denmark, Germany, Hong Kong (China), Japan, New Zealand, Poland, Singapore, United Kingdom, United States among others.

The Senior Minister's full keynote speech can be accessed [here](#).

Monster Energy Company v Mixi, Inc. [2017] SGIPOS 12

Facts

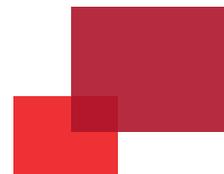
Japanese mobile-game producer, Mixi Inc. ("**Applicant**"), applied to register "MONSTER STRIKE" in Singapore under Class 9 (broadly described as computer and mobile game software, and related accessories and hardware) as well as Class 41 (for a variety of services, including the service of providing video games through various media) ("**Application Mark**").

United States energy drink manufacturer, Monster Energy Company ("**Monster Energy**"), sought to oppose the registration of the Application Mark on the basis of its earlier plain word mark, "MONSTER ENERGY", in Class 9 for protective gear (namely: clothing footwear, headwear, and eyewear) ("**Monster Energy's Mark**"), relying on Sections 8(2)(b) (confusingly similar marks and/or goods), 8(4) (well-known in Singapore and/or to the public in large in Singapore), and 8(7)(a) (passing off) of the Trade Marks Act (Cap. 332) ("**TMA**").

Decision

The opposition failed on all grounds.

(i) **Section 8(2)(b) - Confusingly similar marks and/or goods**



Under Section 8(2)(b) TMA, a trade mark shall not be registered if it is similar to an earlier trade mark, is to be registered for goods similar to those which the earlier trade mark protects, and there exists a likelihood of confusion arising from the two similarities.

Monster Energy's case on the similarity of the marks hinged on the contention that "MONSTER" is the distinctive and dominant portion of the competing marks.

The Registrar however rejected this argument as he considered that "MONSTER" is not the distinctive and dominant portion and should not be given additional weight in the assessment. As such, overall the marks were found to be more dissimilar than similar (visually, aurally and conceptually), having regard to the fact that the second word in each mark (ENERGY and STRIKE respectively) is not at all similar to the other.

As the Application Mark was not similar to Monster Energy's Mark, the opposition on the basis of this ground failed. Further, and in any event, the Registrar decided (for completeness) that the respective goods/services were dissimilar to a substantial degree.

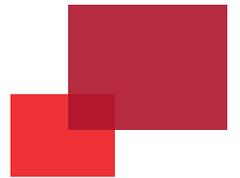
(ii) Section 8(4) - Well-known in Singapore and/or to the public in large in Singapore

Under Section 8(4) TMA, a later trade mark shall not be registered after 1 July 2004 if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the earlier trade mark is well known in Singapore, and if use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered—

- (i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; or
- (ii) if the earlier trade mark is well known to the public at large in Singapore—
 - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
 - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

Monster Energy's case was that its mark was well known to the public at large in Singapore at the relevant date of 23 June 2014 (i.e., the date at which the Applicant applied to register the Application Mark).

The Registrar was however unable to accept this submission on the evidence. This was primarily because the bulk of Monster Energy's evidence established that it had marketed and sold its energy drinks not by reference to the plain word



mark "MONSTER ENERGY" but rather under the following trade marks: "



In any case, the Registrar's earlier finding that "MONSTER ENERGY" is more dissimilar than similar to "MONSTER STRIKE" meant that the opposition under the three sub-grounds of Section 8(4) would have failed.

(iii) Section 8(7)(a) - Passing off

Section 8(7)(a) provides that a trade mark shall not be registered if 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*".

Although Monster Energy enjoyed goodwill in Singapore (as it sold its energy drinks to consumers in Singapore since 2012), the Registrar was not convinced that there would be misrepresentation on account of the fact that Monster Energy's Mark was not distinctive - and having regard also to the dissimilarity between the respective marks and the parties' respective fields of business.

As such, the opposition on the basis of Section 8(7)(a) failed.

Comments

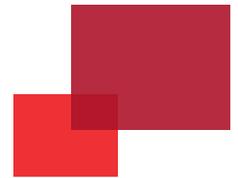
The case illustrates the statutory limits to the protection of trade marks: Monster Energy's bid to ring-fence the word "monster" for its own use was unjustified, as the marks were more dissimilar than similar and both products operate in different fields.

In the present case, Monster Energy also found its case to oppose the mark rejected on the issue of whether its registered mark was well known to the public at large in Singapore. The Registrar decided that there was no risk of misperception of co-branding nor any likelihood of confusion as the public at large recognised Monster Energy drinks not by reference to the words, but by the accompanying trademarks above the words, including the "claw" graphics. Brand owners would benefit to pay closer attention to the difference between the way their goods are described and how they are sold and marketed.

FMTM Distribution Ltd v Tan Jee Liang Trading as Yong Yew Trading Company [2017] SGIPOS 09

Facts

Yong Yew Trading Company ("Registered Proprietor") registered its trade mark in Class 14 for "*L.C.D watch, analog quartz watch, automatic watch, watch*



buckle, watch straps and stainless steel watch band" ("**Trade Mark**") on 28 November 2008. A representation of the Trade Mark is set out below:

Casa Blanca
CASA BLANCA

On 21 July 2014, FMTM Distribution Ltd ("**Applicant**") sought to revoke the Trade Mark for non-use under Section 22(1)(a) of the Trade Marks Act (Cap. 332) ("**TMA**").

Section 22(1)(a) TMA provides that a mark may be revoked if:

"within the period of 5 years following the date of completion of the registration procedure, it has not been put to genuine use in the course of trade in Singapore by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use."

In this case, the relevant 5-year time period under consideration for this ground of revocation would therefore be 29 November 2008 to 28 November 2013.

The Registered Proprietor adduced evidence to show various instances in which it traded in watches bearing the Trade Mark during the relevant period. These were classified into three categories of trade:

- (a) The importation of Casa Blanca goods into Singapore;
- (b) The sale of Casa Blanca goods to other traders / entities in Singapore; and
- (c) The sale of Casa Blanca goods to traders in Malaysia.

If the Registrar accepted the wealth of evidence adduced, the Registered Proprietor would have discharged the burden of proof to show that it made genuine, or bona fide, use of the Trade Mark in the course of trade. However, the Applicant contended (unsuccessfully) that the evidence was tampered or fabricated for the purposes of the proceedings.

Decision

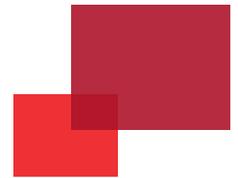
The action for non-use revocation failed.

The Registrar decided that the Trade Mark was put to genuine use within (as well as after) the relevant 5-year time period.

- (i) *The importation of Casa Blanca goods into Singapore.*

The Registrar concluded that Casa Blanca watches were being imported into Singapore by the Registered Proprietor throughout (and also after) the relevant 5-year time period.

In particular, there were bills of lading, invoices and related shipping documents which showed the existence of 6 shipments of Casa Blanca watches (and other products) from Chinese manufacturers to the Registered Proprietor.



However, this alone did not dispose of the matter as it was still necessary to consider if the Trade Mark was put to genuine use in Singapore.

(ii) *The sale of Casa Blanca goods to other traders / entities in Singapore.*

The Registrar found that the invoices tendered by a trader in Singapore showed that watches bearing the Trade Mark had been sold in Singapore since 2013.

This was sufficient to establish genuine use of the Trade Mark.

(iii) *The sale of Casa Blanca goods to traders in Malaysia.*

Further, and in any event, the Registrar considered (but did not decide on) the parties' respective arguments regarding the nexus of use to Singapore that is required for the purposes of defeating an application for revocation on the basis of non-use.

While the Applicant argued that *entrepôt* trade did not amount to genuine use for the purposes of Section 22(1)(a) TMA - as the statutory definition of use of a trade mark under Section 22(2) TMA did not include a pure *entrepôt* trade scenario - the weight of authority appeared to be against the Applicant's position.

Comments

This case raises an interesting issue of a potential challenge a brand owner may face where the only evidence of use of its mark in Singapore is from *entrepôt* trade. While the Registrar did not directly address this (as it was not contested that at least some of the Registered Proprietor's watches were sold to traders in Singapore for sale in Singapore), he suggested that there might not be strong justification for the legal monopoly over the use of a mark where the only use of the mark is in *entrepôt* trade.

Until this lacuna in the law is addressed in a future case or clarified by legislation, trade mark owners involved in *entrepôt* trade should be cognisant of the risks of such challenges to their marks.

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