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

Trade Mark No. T0503948A Hearing Date: 22 March 2018

## IN THE MATTER OF TRADE MARK APPLICATION BY

#### FOX STREET WEAR PTE LTD

#### AND

#### **OPPOSITION THERETO BY**

#### FOX HEAD, INC.

Hearing Officer: Ms Tan Mei Lin Principal Assistant Registrar of Trade Marks

Representation:

Mrs Murgiana Haq and Ms Ferzana Haq (hslegal LLP) for the Applicant Ms Tan Lijun and Mr Mok Ho Fai (Bird & Bird ATMD LLP) for the Opponent

#### **GROUNDS OF DECISION**

#### Introduction

1 The marks  $\mathfrak{S}$  and  $\mathfrak{S}$  were registered in the 1980s. These marks were assigned to the Applicant in 1999 and in the same year, the Applicant successfully applied to register

<sup>1</sup>. In 2001, the Opponent applied to register  $\overbrace{}^{F}$ . This mark was

<sup>&</sup>lt;sup>1</sup> The words beneath the word "Fox" read "What's stopping you?".

registered through honest concurrent use<sup>2</sup> with the Applicant's marks for 1)  $\Im$ ; 2)  $\Im$ ; and 3)  $\Im$ . The Applicant did not oppose the registration of  $\Im$  and neither did it apply to invalidate it. In these proceedings, the Opponent, being the registered owner of  $\Im$ , is opposing the Applicant's application for  $\Im$ . This case discusses, among other things, whether the fact that the Opponent's  $\Im$  mark was registered through honest concurrent use with the Applicant's marks has any relevance to the opposition against  $\Im$  and whether, on the facts, the Opponent may be said to have acquiesced in the use of  $\Im$  or is estopped from opposing the use and registration of  $\Im$ .

## Background

2 Fox Street Wear Pte Ltd ("the Applicant") applied to register the following trade mark in Singapore:

Trade Mark No.	Trade Mark	Application Date	Class No.	Specification
T0503948A (the "Application Mark")	TRAT'S STOPPING YOUR	30 March 2005 (the "Application Date")	25	Jeans, jackets, shirts, t-shirts, slacks, sportswear; all being articles of clothing, footwear.

3 The application was accepted and published on 3 May 2013 for opposition purposes. Fox Head, Inc. ("the Opponent") filed its Notice of Opposition (as amended on 21 August 2014) to oppose the registration of the Application Mark on 3 September 2013. On 2 January 2014, the Applicant filed its Counter-Statement.

The Opponent filed evidence in support of the opposition (re-executed and re-filed on 22 August 2017) on 19 August 2014. The Applicant filed evidence in support of the application on 23 February 2015. The Opponent filed evidence in reply (re-executed and refiled on 22 August 2017) on 22 September 2015. Four Pre-Hearing Reviews were held on 29 October 2015, 18 January 2017, 3 May 2017 and 22 June 2017. During this period of time, parties attempted to negotiate and also explored the possibility of mediation. When it was clear that these proceedings were inevitable, leave was granted to the parties to file supplementary evidence. The Opponent filed its supplementary evidence on 2 December 2017 and the Applicant filed its supplementary evidence in reply on 27 December 2017. The Opponent and the Applicant each filed its written submissions (respectively, "Opponent's WS" and "Applicant's WS") on 22 February 2018. The opposition was heard on 22 March 2018.

5 This is not the first time that the parties are disputing over this set of marks. In 2014, the Opponent successfully opposed the Applicant's application to register the same mark in

<sup>&</sup>lt;sup>2</sup> Honest concurrent use is explained in more detail at [26]-[27].

<sup>&</sup>lt;sup>3</sup> The words in the bottom half of the letter "O" (circle around the device of the fox's head) are "Fox Street Wear"; the words in the banner at the bottom of the mark read "What's stopping you?".

Class 18 under trade mark application number T0503947C ("the Class 18 case") on the ground under Section 8(2)(b) of the Trade Marks Act (Cap. 332, Rev. Ed. 2005) ("the Act"). The Applicant did not appeal against this decision. Although this case relates to Class 25, the facts and evidence are substantially similar to that in the Class 18 case and both parties referred me to the decision in that case.

# **Grounds of Opposition**

6 The Opponent relies on Section 8(2)(b), 8(4)(b)(i), 8(4)(b)(ii)(A), 8(4)(b)(ii)(B), 8(7)(a), 7(6) and 8(7)(b) of the Act in this opposition.

# **Opponent's Evidence**

- 7 The Opponent's evidence comprises the following:
  - a) Statutory Declaration by Matthieu Bazil, Vice President of the Opponent, dated 18 August 2017 ("Opponent's 1<sup>st</sup> SD");
  - b) Statutory Declaration by the same Matthieu Bazil dated 18 August 2017 ("Opponent's 2<sup>nd</sup> SD")<sup>4</sup>; and
  - c) Supplementary Statutory Declaration by the same Matthieu Bazil dated 30 November 2017 ("Opponent's 3<sup>rd</sup> SD").

# **Applicant's Evidence**

- 8 The Applicant's evidence comprises the following:
  - a) Statutory Declaration by Rajinder Singh s/o Jagjit Singh, Managing Director of the Applicant, dated 17 February 2015 ("Applicant's 1<sup>st</sup> SD");
  - b) Statutory Declaration by Fervin Raj Gill d/o Rajinder Singh, Account Executive of the Applicant, dated 17 February 2015 ("Fervin Gill's SD");
  - c) Statutory Declaration by Pathmavathianmal Narayanasamy, retail assistant employed by Lumberjacks Apparels Pte Ltd, dated 10 February 2015 ("Pathma's SD");
  - d) Statutory Declaration by Chiong Chee Seng, Director of Hock Ann Jeans House, dated 10 February 2015 ("Chiong Chee Seng's SD");
  - e) Statutory Declaration by Perera Brian Mark, sole proprietor of Jeans On!, dated 11 February 2015 ("Perera Brian Mark's SD");
  - f) Statutory Declaration by Tan Yock Leng, Director of Tai Lee Heng Garments, dated 10 February 2015 ("Tan Yock Leng's SD"); and
  - g) Supplementary Statutory Declaration by the same Rajinder Singh s/o Jagjit Singh dated 15 December 2017 ("Applicant's 2<sup>nd</sup> SD").

## Applicable Law and Burden of Proof

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

<sup>&</sup>lt;sup>4</sup> The Opponent's 1<sup>st</sup> SD and the Opponent's 2<sup>nd</sup> SD are dated the same date as they were re-executed and refiled in order to rectify administrative/procedural irregularities.

# The Applicant

10 The Applicant is a company incorporated in Singapore on 8 January 1999 and claims to be a well known manufacturer and distributor of various products in Class 25 under various

trade marks including  $\overline{\nabla}$ ,  $\underline{\operatorname{Kox}}$ ,  $\overline{\operatorname{Kox}}$  and  $\overline{\operatorname{Kox}}$ 

11 The Applicant has various registered trade marks in Singapore as follows:

Registration No.	Mark	Date Registered	Specification
T8103475D		11 August 1981	Class 25: Shirts, T-shirts, jackets, jeans, slacks and sportswear being articles of clothing, footwear.
T8901706I		23 March 1989	<u>Class 25:</u> Jeans, jackets, shirts, T-shirts, sportswear being articles of clothing, footwear, headwears.
T9800173J		7 January 1998	Class 18: Luggage and cases; bags, back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags,
T9800174I		7 January 1998	shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18.
T9909563A	UKAI'S STOPPING YOU	2 September 1999	<u>Class 18:</u> Luggage and cases; bags, back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18 <u>Class 25:</u> Jeans, jackets, shirts, T-shirts, slacks, sportswear all being articles of clothing, footwear, headwear; all included in Class 25.

12 The Applicant's marks for  $\checkmark$  (T8103475D) and  $\checkmark$  (T8901706I) were originally registered in Class 25 on 11 August 1981 and 23 March 1989, respectively, in the name of Mohd Tafel bin Elamdin of 6 Chin Terrace, Singapore 509877, trading as Fox Clothing Company. Mohd Tafel bin Elamdin had allegedly informed the Applicant that he had used the marks,  $\checkmark$  and  $\checkmark$ , since 1979 and 1989 respectively, but due to the passage of time the records have been destroyed and the business of Fox Clothing Company had terminated in 1995<sup>5</sup>. These marks are now registered in the Applicant's name by virtue of two assignments. The first assignment took place on 9 January 1998 and transferred the marks to Rajinder Singh trading as Guilford Enterprises. The second assignment, which took place on 2 August 1999, transferred the marks to the Applicant. Rajinder Singh is the Managing Director of the Applicant.

13 The Applicant claims that the Application Mark is an extension of the concept of and  $\bigcirc$ , which comprise the word "FOX" with a tail device protruding from the letter "O". The Application Mark incorporates the Applicant's mark for  $\bigtriangledown$  (already registered under T8103475D) in the letter "O" in the word "FOX" instead of the device of a fox tail. According to the Applicant, the Application Mark is used on the front of the apparel, for example, collar of a shirt, and  $\checkmark$  at the back of the apparel<sup>6</sup>.

14 Clothing with the Application Mark was launched in Singapore in 2000. They are available in department stores such as John Little, Isetan, Robinsons and hypermarts such as Carrefour and Giant, among other retailers. The sales of clothing bearing the Application Mark in Singapore from 2000 to 2013 are as follows:

Year	Sales (SGD)
2000	\$ 98,655.20
2001	\$ 146,652.23
2002	\$ 199,621.54
2003	\$ 371,914.64
2004	\$ 472,771.89
2005	\$ 492,831.33
2006	\$ 574,196.98
2007	\$ 606,430.91
2008	\$ 598,254.52
2009	\$ 659,157.62
2010	\$762,705.86
2011	\$ 808,391.08
2012	\$720,287.68
2013	\$703,631.05
Total:	\$ 7,215,493.54

<sup>&</sup>lt;sup>5</sup> Applicant's 1<sup>st</sup> SD at [8].

<sup>&</sup>lt;sup>6</sup> Applicant's 1<sup>st</sup> SD at [5].

15 The Applicant also claims to have extensively promoted its clothing bearing the Application Mark in Singapore. The annual breakdown of marketing expenditure for the years 2002 to 2013 is as follows:

Year	Marketing (SGD)
2002	\$ 3,000.00
2003	\$ 12,500.00
2004	\$ 9,279.00
2005	\$ 3,167.00
2006	\$ 7,375.00
2007	\$ 8,143.00
2008	\$ 12,854.00
2009	\$ 10,200.00
2010	\$ 10,890.00
2011	\$ 14,390.00
2012	\$18,405.95
2013	\$16,403.44
Total:	\$ 126,607.39

## The Opponent

16 The Opponent is a company incorporated in the State of California, United States of America. It was first established in 1974 as Moto-X Fox and made several changes to its corporate name. First in 1994, to FOX Racing USA, Inc. and then later, in 1999, to Fox Racing, Inc. In 2007, the Opponent made the change to its present corporate name, Fox Head, Inc.

17 Moto-X Fox started as a small distribution business for European motocross parts and accessories. Within two years, it was manufacturing high-performance suspension and engine components for racers looking for an on-track advantage.

18 In 1977, Geoff Fox, the founder of the Opponent, created his own privately-owned professional motocross team, Team Moto-X Fox. Team Moto-X Fox riders became the top non-factory riders in various competition series. During these competitions, Team Moto-X Fox riders wore bright red, yellow and orange race outfits. Handmade by Moto-X Fox, the clothing became a hit with its fans and interested enthusiasts started inquiring about their availability. The Opponent then reorganised its business over the next few years to become a major player in the U.S. motocross apparel industry. Over the last three decades, the Opponent claims that it has become an international leader in the youth lifestyle apparel market, with its famous "Fox Head" logo recognised worldwide.

## The Opponent's Marks

19 The Opponent is the registered proprietor of various trade marks registered in Singapore in classes 9, 16, 25 and 35 as follows:

Registration No.	Mark	Date Registered	Specification
T0117908D	FEEX	17 November 2001	<u>Class 9:</u> Pressure gauges, motorcycle and safety helmets and protective clothing for motorcyclists and cyclists.
T0117909B	FXX	17 November 2001	<u>Class 16:</u> Decals, stickers, calendars and catalogues relating to motocross sports clothing, protective gear, footwear, casualwear and accessories.
T0117910F	FXX	17 November 2001	<u>Class 25:</u> Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts.
T0503107C	E -	27 November 2004	<u>Class 9:</u> Sports goggles; protective eyewear, namely spectacles, prescription eyewear, anti-glare glasses, sunglasses, motorcycling goggles and their parts and accessories, namely replacement lenses, frames, earstems, and nose pieces; cases specially adapted for spectacles and sunglasses and their parts and accessories.
T0411560E	S.	15 July 2004	<u>Class 9:</u> Motorcycle helmets, safety helmets and protective clothing, all for motorcyclists and cyclists.
T0502940J	175,325	20 August 2004	Class 9: Sport goggles for use in motorcycling, bicycling, snowmobiling, snowboarding, skiing and other snowrelated activities.
T0526054D	FOX RACING	25 August 2004	<u>Class 9:</u> Sport goggles for use in motorcycling, bicycling and snow sports; protective eyewear, namely spectacles, prescription eyewear, anti-glare glasses, sunglasses, and motorcycling goggles and their parts and accessories, namely replacement lenses, frames, earstems, and nose pieces; cases specially adapted for spectacles and sunglasses and their parts and accessories.
T1207975B	IFS, ZZZ IFS, ZZZZ	05 June 2012	<u>Class 9:</u> Sports goggles for use in motorcycling, bicycling, snowmobiling, snowboarding, skiing and other snow-related activities; protective eyewear, namely spectacles, prescription eyewear, anti-glare glass, sunglasses, and their parts and accessories, namely replacement lenses, frames, earstems, and nose pieces; cases specially adapted for spectacles and sunglasses and their parts and accessories; protective articles for sporting purposes (other

T1207973F		05 June 2012	than sporting articles or parts of sports suits); headwear for sporting activities for protection against injury; protection apparatus for personal use against accidents (other than sports articles or part of sports suits); electronic publications (downloadable) featuring clothing and apparel, moto- cross, motorcycle, bicycle, action sports activities, goods and services; publications in machine readable form featuring clothing and apparel, moto- cross, motorcycle, bicycle, action sports activities, goods and services. <u>Class 35:</u> Business management and administration; advertising; organization of exhibitions for commercial or advertising purposes; event management services (organization of exhibitions or trade fairs for commercial or advertising purposes); franchising services [group purchasing, group advertising]; management advisory services related to franchising; retail services; electronic publication of publicity texts; all included in Class 35. <u>Class 16:</u> Paper, cardboard and goods made
	South Contraction of the second secon		from these materials, not included in other classes; printed matter; printed advertising materials; decals; stickers (decalcomanias); brochures; catalogues; pamphlets; leaflets; periodical magazines; newsletters; stationery; photographs; instructional and teaching material (except apparatus); all relating to clothing, apparel, protective gear, footwear, casualwear accessories, and moto- cross, motorcycle, bicycle and action sports activities, goods and services. <u>Class 35:</u> Business management and administration; advertising; organization of exhibitions for commercial or advertising purposes; event management services (organization of exhibitions or trade fairs for commercial or advertising purposes); franchising services [group purchasing, group advertising]; management advisory services related to franchising; retail services; electronic publication of publicity texts; all included in Class 35.

T1207972H	TOT	05 June 2012	Class 9:
	FOX		Sports goggles for use in
			motorcycling, bicycling,
			snowmobiling, snowboarding, skiing
			and other snow-related activities;
			protective eyewear, namely spectacles,
			prescription eyewear, anti-glare
			glasses, sunglasses, and their parts and
			accessories, namely replacement
			lenses, frames, earstems, and nose
			pieces; cases specially adapted for
			spectacles and sunglasses and their parts and accessories; protective
			articles for sporting purposes (other
			than sporting articles or parts of sports
			suits); headwear for sporting activities
			for protection against injury;
			protection apparatus for personal use
			against accidents (other than sports
			articles or part of sports suits);
			electronic publications (downloadable)
			featuring clothing and apparel, moto-
			cross, motorcycle, bicycle, action
			sports activities, goods and services;
			publications in machine readable form
			featuring clothing and apparel, moto-
			cross, motorcycle, bicycle, action sports activities, goods and services.
			sports activities, goods and services.
			Class 16:
			Paper, cardboard and goods made
			from these materials, not included in
			other classes; printed matter; printed
			advertising materials; decals; stickers
			(decalcomanias); brochures;
			catalogues; pamphlets; leaflets; periodical magazines; newsletters;
			stationery; photographs; instructional
			and teaching material (except
			apparatus); all relating to clothing,
			apparel, protective gear, footwear,
			casualwear accessories, and moto-
			cross, motorcycle, bicycle and action
			sports activities, goods and services.
			Class 35:
			Business management and
			administration; advertising;
			organization of exhibitions for
			commercial or advertising purposes;
			event management services
			(organization of exhibitions or trade
			fairs for commercial or advertising
			purposes); franchising services [group
			purchasing, group advertising];
			management advisory services related
			to franchising; retail services;
			electronic publication of publicity
	1		texts; all included in Class 35.

T1312982F	FOX RACING	12 July 2013	<u>Class 25:</u> Clothing, namely jackets, raincoats, sweatshirts, jerseys, shirts, blouses, pants, tights, shorts, hats, caps, sweatbands, headbands, gloves, belts, shoes, boots, socks and swimwear.
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It is to be noted that the Opponent's mark (T0117910F) was registered in Class 25 in Singapore through honest concurrent use with some of the Applicant's registered trade marks (see [25] below for details).

21 The Opponent also relies on its common law rights and goodwill in the various iterations of the  $\overbrace{\text{marks}}$  and  $\overbrace{\text{marks}}$  (collectively, "the Opponent's marks") in this case. These marks are tabulated below together with their dates of first use in the US (which is where the marks were first used anywhere in the world) and in Singapore, being dates which are supported by the evidence before me:

Trade Mark	First Use Date (in the US & Singapore)	Notes & Cross-reference to Opponent's Evidence
FFB	US: At least as early as 28 February 1981	Registered in the US in <u>Class 25</u> on 5 February 1985 (US Registration No. 1,318,236). Registration certificate indicates first use as 28 February 1981 (Opponent's 1 <sup>st</sup> SD at p 147).
		Depicted on wallets and bags ( <u>Class 18</u> goods) and shirts (Class 25) in 1986 catalogue (Opponent's 1 <sup>st</sup> SD at pp 337-339, 341).
	No use in Singapore relied on by Opponent	N.A.
F	US: 14 February 1976	Registered in the US in Class 25 (among others) on 28 November 1989 (US Registration No. 1,568,070). Registration certificate indicates first use as 14 February 1976 (Opponent's 1st SD at p 148).Depicted on shirts in 1986 catalogue (Opponent's 1st SD at pp 342-343).
	No use in Singapore relied on by Opponent	N.A.
JEGOX	US: 1994	Depicted on apparel ( <u>Class 25</u> ) in 1994 catalogue (Opponent's 1 <sup>st</sup> SD at pp 410-411).
	Singapore: At least as early as 27 September 1997	Sales of T-shirts ( <u>Class 25</u> ) bearing mark listed in an invoice dated 27 September 1997 (Opponent's 1 <sup>st</sup> SD at pp 503-507).
	US: 1994	Depicted on apparel ( <u>Class 25</u> ) in 1994 catalogue (Opponent's $1^{st}$ SD at pp 410-411).
in the	Singapore: At least as early as 27 September 1997	Sales of T-shirts ( <u>Class 25</u> ) bearing mark listed in an invoice dated 27 September 1997 (Opponent's 1 <sup>st</sup> SD at pp 503-507).

53	US: At least as early as 1 January 2005 No use in Singapore relied on by Opponent	Registered in the US in <u>Class 9</u> on 3 October 2006 (US Registration No. 3,151,681). Registration certificate indicates first use as 1 January 2005 (Opponent's 1 <sup>st</sup> SD at p 110). N.A.
IFSAS	US: At least as early as 1991 Singapore: At least as early as 27 September 1997	Depicted in 1991 Catalogue (Opponent's 1 <sup>st</sup> SD at p 407. Sale of 2 T-shirts listed in invoice dated 27 September 1997 (Opponent's 1 <sup>st</sup> SD at pp 503-507).
FOX RACING	US: At least as early as 1986 Singapore: At least as early as 29 December 1997	Depicted in 1986 Catalogue (Opponent's 1 <sup>st</sup> SD at pp 332, 334, 335. Applied on T-shirts (Class 25) in 1986 catalogue (Opponent's 1 <sup>st</sup> SD at pp 339, 349). The Opponent relies on the sale of "Fox Racing Division Sticker" ( <u>Class 16</u> ) listed in an invoice dated 29 December 1997 (Opponent's 1 <sup>st</sup> SD at pp 447-453).
What's Stopping You?	US: At least as early as May 1997	The Opponent relies on the use of this slogan in an advertisement in <i>Motocross Action</i> <i>Magazine</i> (May 1997) for their apparel ( <u>Class</u> <u>25</u> ) (Opponent's 1 <sup>st</sup> SD at pp 944-945).
	Singapore: At least as early as 11 November 1997	The Opponent relies on the sale of two T- shirts ( <u>Class 25</u> ) described as "T-Shirt, Whats Stopping You" listed in an invoice dated 11 November 1997 (Opponent's 1 <sup>st</sup> SD at pp 551-557).

22 The Opponent claims that its marks were first used in Singapore as early as 1996 (if not earlier) and the sales figures in relation to goods bearing these marks (which are always used concurrently) for the period up to and including the year of application of the Application Mark are as follows<sup>7</sup>:

Year	Singapore Sales (USD)
1996	\$ 17,091
1997	\$ 121,515
1998	\$ 120,318
1999	\$ 180,635
2000	\$ 215,827
2001	\$ 186,527
2002	\$ 229,883
2003	\$ 383,606
2004	\$ 196,481
2005	\$ 197,381

<sup>&</sup>lt;sup>7</sup> Opponent's 1<sup>st</sup> SD at [22].

The Opponent's goods are marketed in some 62 countries/territories<sup>8</sup>. A list of the 23 Opponent's authorised dealers in Singapore, past and present<sup>9</sup> are:

	Singapore Authorised Dealers	Past or present
1	Boon Bike Supply (used to be Soon	Past
	Watt)	
2	Profile Asia	Past
3	Sportsbit Pte Ltd	Past
4	Cool Rider	Past
5	Ideal Motor Sport Pte Ltd	Past
6	Hoon Hin Trading Co.	Past
7	Xtreme Rated	Present
8	Primer-Uniglobe (Singapore) Pte	Present
	Ltd	

In addition to selling its goods through retail outlets, the Opponent also sells its goods 24 online through its own websites, <u>www.foxracing.com</u> and <u>www.foxhead.com</u> and third party websites such as www.mxsouth.com, http://mxdirtrider.com, www.motoworldracing.com and www.motocrossgiant.com<sup>10</sup>. According to the Opponent, its worldwide sales and marketing figures from 2003 to 2013 are as follows<sup>11</sup>:

Worldwide Sales Figures: 2003 to 2013

Year	Worldwide Sales (USD)
2003	\$ 208,000,000
2004	\$ 325,000,000
2005	\$ 425,000,000
2006	\$ 500,000,000
2007	\$ 211,822,256
2008	\$ 243,721,214
2009	\$ 217,444,334
2010	\$ 223,545,145
2011	\$ 233,061,364
2012	\$ 226,773,547
2013	\$ 230,045,912

 <sup>&</sup>lt;sup>8</sup> Opponent's 1<sup>st</sup> SD at [15].
<sup>9</sup> MB-7 of Opponent's 1<sup>st</sup> SD.

<sup>&</sup>lt;sup>10</sup> Opponent's 1<sup>st</sup> SD at [24]. <sup>11</sup> Opponent's 1<sup>st</sup> SD at [18] and [19].

Year	Worldwide Marketing Expenditure (USD)
2003	\$ 14,000,000
2004	\$ 16,250,000
2005	\$ 21,250,000
2006	\$ 25,000,000
2007	\$ 18,105,029
2008	\$ 17,636,631
2009	\$ 14,029,004
2010	\$ 14,267,108
2011	\$ 16,987,869
2012	\$ 16,506,699
2013	\$ 14,379,214

# Worldwide Marketing Expenditure: 2003 to 2013

#### **PRELIMINARY DECISION**

25 As mentioned earlier, the Opponent's mark (T0117910F) was registered in Class 25 in Singapore through honest concurrent use with some of the Applicant's registered trade marks. These marks are:

Registration No.	Mark	Date Registered	Specification
T8103475D		11 August 1981	Class 25: Shirts, T-shirts, jackets, jeans, slacks and sportswear being articles of clothing, footwear.
T8901706I	F	23 March 1989	<u>Class 25:</u> Jeans, jackets, shirts, T-shirts, sportswear being articles of clothing, footwear, headwears.
T9909563A	Unat's stopping you?	2 September 1999	<u>Class 18:</u> Luggage and cases; bags, back packs, sports bags, satchels, schoolbags, portfolios, cases, wallets, holders, travelling bags, knapsacks, rucksacks, holdalls, handbags, purses, briefcases, belts, straps, garment bags, duffel bags, shoulder bags, waist bags, toiletry bags, key fobs, key cases, all made wholly or principally of leather, imitation leather, canvas fabric or combinations thereof; parts and fittings included in Class 18 <u>Class 25</u> : Jeans, jackets, shirts, T-shirts, slacks, sportswear all being articles of clothing, footwear, headwear; all included in Class 25.

By way of background, Section 9(1) of the Act permits an applicant to rely upon honest concurrent use of the mark applied for to defeat an objection raised by the Registrar, during the course of examination, on the basis of an earlier trade mark or earlier right. If the Registrar is satisfied that there has been honest concurrent use, then the Registrar must allow the application to proceed to advertisement, and if there is no opposition, to registration.

27 If the proprietor of the earlier mark or earlier right opposes the application and the Registrar concludes that the opposition is properly founded and the grounds of opposition are valid, then he must refuse the application. The Registrar may not, at that stage, rely upon the applicant's claim of honest concurrent use to dismiss the opposition brought by the proprietor of the earlier mark or earlier right. This ensures that the rights of the earlier trade mark proprietor are still preserved by allowing the earlier proprietor to challenge the registration.

# Significance of honest concurrent use in the present case

28 The Applicant does not dispute that the wording of Section 8(2) of the Act does not prevent the Opponent from relying on an earlier trade mark which secured registration on the basis of honest concurrent use with the Applicant's earlier trade mark registrations. However, the Applicant submits that the fact that in Class 25 was obtained on the ground of honest concurrent use, "*critically weakens*" the Opponent's case. The Applicant contends that this is because in order to obtain registration under honest concurrent use, the applicant (in this case, the Opponent) must genuinely believe that concurrent use of its mark with the earlier mark does not and would not cause confusion.

I agree with the Applicant that in order to obtain registration under honest concurrent use, the Opponent must genuinely believe that concurrent use of its mark with the Applicant's earlier marks, i.e. 1) (2); 2) (3); and 3) (3) do not and would not cause confusion. However, the fact remains that the mark which is subject of these proceedings is not any of those marks, but

30 While  $\checkmark$  is incorporated in the Application Mark,  $\checkmark$ , there are clearly other elements in the Application Mark which contribute to its overall impression<sup>12</sup> and which has to be taken into account of in assessing similarity with  $\checkmark$ . Therefore, even if there is no likelihood of confusion between the Opponent's mark and the Applicant's earlier marks for 1)  $\checkmark$ ; 2)  $\checkmark$ ; and 3)  $\checkmark$ , that does not necessarily mean that there is no likelihood of confusion between  $\checkmark$  and the Application Mark.

31 The degree of similarity between the marks in question here and the likelihood of confusion between this pair of marks must be assessed.

<sup>&</sup>lt;sup>12</sup> As stated in the Applicant's WS at p 24 para a)i, "the fact that both the Opponent's Mark and the Application Mark bear a Fox Head device does not mean that the marks similarity test only requires a comparison of the fox head device alone. The Application Mark is a complex combination of words and devices... and must be compared as a whole."

#### Acquiescence and Estoppel

32 The Applicant further alleges that the mark the Opponent is attacking, under the guise of this opposition, is the fox head device. Because the Applicant has registered and used its fox head device from 1981, and there is clear evidence that the Opponent was aware of the Applicant's use of the fox head device since 2004<sup>13</sup>, the Opponent has acquiesced in the use

and registration of the Applicant's fox head device,  $\checkmark$ , and the Application Mark,  $\checkmark$ , and is estopped from opposing the use and exploitation of the Application Mark under Section 24(1)(b) and Section 24(2)<sup>14</sup>.

33 Section 24 of the Act reads:

**24**.—(1) Where the proprietor of an earlier trade mark or other earlier right has acquiesced for a continuous period of 5 years in the use in the course of trade of a registered trade mark in Singapore, being aware of that use, there shall cease to be any entitlement on the basis of that earlier trade mark or other right —

(a) to apply for a declaration that the registration of the later trade mark is invalid; or

(b) to oppose the use of the later trade mark in relation to the goods or services in relation to which it has been so used,

unless the registration of the later trade mark was applied for in bad faith.

(2) Where subsection (1) applies, the proprietor of the later trade mark is not entitled to oppose the use of the earlier trade mark or, as the case may be, the exploitation of the earlier right, notwithstanding that the earlier trade mark or right may no longer be invoked against his later trade mark.

(3) For the purposes of subsection (1), in deciding whether the registration of the later trade mark was applied for in bad faith, it shall be relevant to consider whether the applicant for the registration of the later trade mark had, at the time his application was made, knowledge of, or reason to know of, the earlier trade mark or other right.

34 Section 24(1) of the Act refers to acquiescence for 5 years in the use in the course of trade of a *registered trade mark* in Singapore. The Application Mark is not a registered trade mark in Singapore and the provision clearly does not apply to the Application Mark.

35 As for the fox head device,  $\overbrace{}^{\checkmark}$ , even if it may be said that the Opponent has acquiesced in the Applicant's use of it,  $\overbrace{}^{\checkmark}$  and the Application Mark,  $\overbrace{}^{\checkmark}$ , are two different trade marks and the present proceedings relate to the latter. Although I bear in mind  $\overbrace{}^{\checkmark}$ 

that  $\bigvee$  is incorporated in the Application Mark, there are clearly other elements in the Application Mark which contribute to the overall impression of the Application Mark.

<sup>&</sup>lt;sup>13</sup> Applicant's WS at p 18, para 28.

<sup>&</sup>lt;sup>14</sup> Applicant's WS at p 20, para 30.

Acquiescence in  $\checkmark$  cannot therefore be translated to acquiescence in the Application Mark

36 Before moving on to the main decision of this case, I would make two observations. Firstly, the Applicant may equally be said to have acquiesced in the use and registration of the Opponent's mark. This is so for the following reasons:

a) The Applicant could have opposed the Opponent's earlier mark in Class 25 in 2005 when it was published for opposition purposes but it did not;

b) The Applicant knew of the registration of the Opponent's earlier **Exerc** mark in

Class 25, at least in 2007, when the Opponent opposed the Applicant's mark in Class 18 and more than 5 years have elapsed since then; and

c) The Applicant could have applied to invalidate the Opponent's mark in Class 25 but it did not.

37 Secondly, it seems to me that by their conduct both parties have accepted the coexistence of  $\mathbb{F}(\mathbb{F})$  with 1)  $\mathbb{F}(2)$ ; 2)  $\mathbb{F}(2)$ ; and 3)  $\mathbb{F}(2)$  (whether believing that there will be no confusion or knowing that there is confusion but tolerating it). However, even if this is so, it is incumbent on both sides not to take steps which would increase the similarity between their respective marks such that confusion is likely to result or be exacerbated.

# MAIN DECISION

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

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

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

...

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected, there exists a likelihood of confusion on the part of the public.

# Decision on Section 8(2)(b)

39 The law in relation to Section 8(2)(b) is well-established: the leading case is the Court of Appeal's decision in *Staywell Hospitality Group v Starwood Hotels & Resorts Worldwide* [2014] 1 SLR 911 ("*Staywell*"). In *Staywell* the court reaffirmed the "*step-by-step*" approach which may be summarised as follows. The first element is to assess whether the respective marks are similar. The second element is to assess whether there is identity or similarity between the goods or services for which registration is sought as against the goods or services for whether there is no consider whether the no consider whether there is no consider wheth

exists a likelihood of confusion arising from (or to use the words of the section: *because of*) the two similarities. The court made it clear that "*the first two elements are assessed individually before the final element which is assessed in the round*" (*Staywell* at [15]). If, for any one step, the answer is in the negative, the inquiry ends, and the opposition will fail.

## Comparison of Marks

- 40 In assessing the marks for similarity, I have taken the following principles into account:
  - a) The assessment of marks similarity is mark-for-mark, without consideration of any external matter. (*Staywell* at [20].)
  - b) The marks are to be compared for visual, aural and conceptual similarities. There is no requirement that all three aspects of similarity must be made out before the marks can be found to be similar. Trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry. The three aspects of similarity are but signposts meant to guide the inquiry and I must ultimately come to a conclusion whether the marks, when observed in their totality, are similar rather than dissimilar. This is inevitably a matter of impression. (*Staywell* at [17]–[18].)
  - c) When assessing two contesting marks, I should bear in mind that the average consumer has imperfect recollection. Therefore, the two marks should not be compared side by side or examined in detail because the person who is confused often makes a comparison from memory removed in time and space from the marks. (*Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 ("*Hai Tong*") at [62(a)]). That said, the court or tribunal is entitled to have special regard to the distinctive or dominant components of a mark, even while it assesses the similarity of the two marks as composite wholes, since those (distinctive or dominant components) tend to stand out in the consumer's imperfect recollection. (*Staywell* at [23].)
  - d) The signs/marks are considered from the viewpoint of the average consumer not an unthinking person in a hurry, but rather, a person who would exercise some care and good sense in making his purchases. (*The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [34].)

#### Distinctiveness

41 I am mindful of the Court's guidance in *Staywell* at [30] that distinctiveness is a factor integrated into the visual, aural and conceptual analysis as to whether the competing marks are similar and it is not a separate step within the marks-similarity inquiry. However, following the approach of the Court of Appeal in *Hai Tong* at [26], for the purpose of elucidating the analytical process, I will highlight it here as a separate step first before applying my findings within the context of the marks-similarity analysis.

42 There are two aspects to the distinctiveness assessment. One is to look at the distinctiveness of components (or elements) of the marks in comparison (both the earlier trade mark and the contested mark), and the other is to look at the distinctiveness of the earlier mark as a whole.

43 The purpose of analysing the distinctiveness of the components of the marks in question is to determine the ability of each of these components to dominate the consumer's overall impression of the mark. In this regard, it has to be assessed whether the signs in conflict coincide in a component that is distinctive (and therefore important) or non-distinctive or weak (therefore being of less importance in the trade mark comparison). However, "the finding of distinctiveness of the separate components of the mark must ultimately be related back to the impression given by the mark as a whole. The distinctiveness of a particular component of a mark is but one factor feeding into the ultimate question of whether the mark, in the form it is registered and/or used, has strength as an indicator of origin to the exclusion of other trade sources. This latter question clearly must be considered by looking at the mark as a whole, because it is the entire mark, and not only a component of it, that must function as the badge of origin" (Staywell at [29]).

44 The assessment of the distinctiveness of the earlier mark as a whole, on the other hand, is important "*in order to determine the extent of the latitude that will be allowed to a user of features that appear in that mark*" (*Hai Tong* at [27]). Further, the Court of Appeal in *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 ("*Sarika*") said at [20]:

...the "distinctiveness" of the registered trade mark is a factor to be considered in the visual, aural and conceptual analysis to determine whether the allegedly infringing sign and the trade mark are similar. It stands to reason that the more distinctive the registered trade mark, the more it is necessary to show sufficient alterations to, or difference in, the sign in order that it may not be held to be similar to the trade mark ...

## Distinctiveness of the components of the Opponent's earlier mark and the Application Mark

45 It was originally stated in the Opponent's WS at [30] that the Opponent was relying on T0117910F, T0117908D, T0117909B and T0502940J as the earlier trade marks under this ground. At the hearing however, the Opponent only relied on its registration for for in Class 25, namely T0117910F ("the earlier mark").

The earlier mark is composed of the letter "F", the device of a fox head in the centre and letter "X". The letters "F" and "X" are both in capitals, they are shaded and have a separate and visible border outlining them. The fox head device appearing between these letters also uses a similar shading and border. The letters and the device are roughly similar in size. Due to this and the fact that a consistent shading and border is used, I find that there is no dominant component in the earlier mark. While the fox head device may be said to be distinctive, it does not dominate the earlier mark as a whole. This is because the fox head device is sandwiched between the letters "F" and "X" and coupled with the fact that it shares a similar shading and border with the letters, the effect is that it blends in with those two letters and does not dominate the mark as a whole. What this means is that, when the mark is assessed in its totality, no special emphasis or attention will be given to any of the components in the mark.

47 I move on to consider the Application Mark, <sup>15</sup>. The Application Mark contains several elements, namely:

a) The letters "F" and "X";

- b) A fox head device emerging out of a letter "O" in between the letters "F" and "X";
- c) The words "Fox Street Wear" within the bottom half of the letter "O" and beneath the fox head device;
- d) A strapline "What's Stopping You" appearing in a banner at the lower segment of the mark; and
- e) Paw prints in the background of the alphabet "O".

48 Looking at it as a whole, the dominant and distinctive part of the Application Mark are, in my view, the elements a) and b). These elements of the Application Mark are given the most prominence in terms of position, size and colour. The other elements, "What's Stopping You" and "Fox Street Wear", though not negligible, are in much smaller lettering and clearly not as memorable as these elements. As for the paw prints, they appear rather faintly in the mark and are positioned only in the background as the Applicant acknowledges. Even if it is noticed, its contribution to the overall impression would be minimal.

# Distinctiveness of the Opponent's earlier mark

49 The distinctiveness of the Opponent's earlier mark as a whole must be assessed. From an inherent perspective, the earlier mark is not just the word "Fox" in plain ordinary font but is composed of the stylistic elements mentioned at [46]. Although it is a common word that refers to an animal, the word is neither descriptive nor allusive in relation to the relevant goods. As such, I consider that it has an above average degree of distinctiveness.

50 Whilst the Opponent has put in evidence of use, it did not ask that I consider its enhanced distinctiveness for the purposes of marks-similarity and I therefore do not consider it. However, I will look at it when I consider the Opponent's reputation and goodwill below.

## Visual Similarity

51 The visual similarity of two contesting marks must be assessed by reference to the overall impressions created by the marks, bearing in mind their distinctive and dominant components (*Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 ("*Caesarstone CA*") at [34]). It would be wrong to artificially dissect the trade marks, although it is necessary to take into account the distinctive and dominant components of the marks and to give due weight to any other features which are not negligible and therefore contribute to the overall impressions created by the marks.

52 For ease of reference, the marks to be compared are:

Opponent's Mark	Application Mark
FREE	WHAT'S STOPPING YOURO

- 53 Visually, the marks share the following similarities:
  - a) Capital letters "F" and "X" are used in the Application Mark as well as the Opponent's earlier mark;
  - b) The font style for the letters "F" and "X" in both marks are bold, angular and similar in shape, style and proportion;
  - c) In both marks, the capital letters "F" and "X" are shaded and they each have a separate and visible border and outlining around them;
  - d) A fox head device is positioned between the letters and the device in the respective marks is very similar to one another; and
  - e) The proportions of the dominant features in the Application Mark and the earlier mark are similar the size of the fox head device, and the letters "F" and "X" on either side, are all roughly of the same size. In other words, the fox head device is not significantly larger or smaller than the letters "F" and "X".
- 54 The Applicant, however, highlighted the following differences:
  - a) In the earlier mark, the fox head device is used in place of the alphabet "O", such that the mark reads as "F", "Fox Head", "X". In contrast, the Application Mark consists of the full word "FOX", with the fox head device emerging out of the alphabet "O";
  - b) The Application Mark contains additional device elements of paw prints in the background of the alphabet "O";
  - c) The Application Mark includes the additional verbal elements of "Fox Street Wear" and "What's Stopping You"; and
  - d) The Application Mark appears in colours whereas the earlier mark is in black and white.

55 While I note these differences, the question I have to decide is whether the similar elements of the competing marks are so dominant as to render the different elements ineffective to obscure the similarity between the marks (*Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 ("*Caesarstone*") at [51])<sup>15</sup>. In this regard, having looked at the competing marks as wholes, I find that the differences highlighted by the Applicant are indeed insufficient. The dominant elements in the Application Mark are highly similar to that of the earlier mark, in terms of their features as well as their arrangement. In addition, given the above average degree of distinctiveness of the earlier mark as discussed above, the differences highlighted by the Applicant do not sufficiently differentiate the Application Mark from the earlier mark visually. The additional elements of "Fox Street Wear" and "What's Stopping You" are in much smaller font and clearly play a subsidiary as well as a less memorable role. In other words, the similarities are so substantial that the differences are not enough so as not to capture the distinctiveness of the earlier mark.

<sup>&</sup>lt;sup>15</sup> Although the decision was reversed by the Court of Appeal, the Court of Appeal did not disagree with this aspect of the High Court decision.

56 I now move to the Applicant's point that colours in the Application Mark, and lack thereof in the earlier mark, render the marks visually different. I do not agree with the Applicant. The earlier mark is registered in black and white or, in other words, without colour as a feature of the mark. It is clear that registration of a mark in black and white covers use of the mark in colour. As such, it cannot be said that the colour of the Application Mark renders it visually different. The colour of the Application Mark in this case is irrelevant as the earlier mark is in black and white.

57 In light of the above, I find that the marks are visually similar to a high degree.

# Aural Similarity

58 The Opponent submits that both marks would be pronounced as "Fox" because it is the dominant element rather than the non-dominant element of the marks that should be considered in assessing aural similarity. As a result, the marks are aurally identical or at the very least, aurally similar.

59 The Applicant, however, contends that the earlier mark would not be read as "Fox" but "F head X". This is because the earlier mark does not incorporate the middle alphabet "O".

- 60 I do not agree with the Applicant. Having regard to the following in the earlier mark:
  - a) The position of the fox head device in the mark which begins and ends with letters; and
  - b) The fact that the letters and the device are similar in size and have similar shading and border,

I am of the view that consumers are more likely to perceive the mark as a single unit rather than as three separate components and, as such, would be inclined to read it as a word. The device is therefore likely to be interpreted as an "O" and the earlier mark will be read as "Fox" even though it does not have a letter "O".

61 The Applicant also submits, in the alternative, that the Application Mark will be referred to as "Fox Street Wear" which indicates the source of the goods and that it is in the fashion range of street wear.

62 I am unable to agree with the Applicant. As mentioned at [48], the dominant and distinctive components of the Application Mark are a) the letters "F" and "X" and b) the fox head device emerging out of the letter "O" in between the letters "F" and "X". The fox head device while also dominant and distinctive, is unlikely to be articulated. The words "Fox Street Wear" are not dominant as they are relatively small in the Application Mark. Even if they are noticed, they are unlikely to be articulated as they add nothing in a distinctive sense to the word "Fox" which I have already found to be dominant and distinctive and merely emphasises it. Furthermore, the words "Street Wear" are merely descriptive of the goods.

63 I therefore find that the marks are aurally identical as both would be articulated as "Fox".

## Conceptual Similarity

64 The Opponent submits that the marks are conceptually similar as they both contain a fox head device between the letters "F" and "X".

65 The Applicant, on the other hand, submits that due to the additional words "Fox Street Wear" in the Application Mark, it also evokes a connection or association with street wear whereas the earlier mark does not.

66 In my view, the Applicant's approach does not take into account what is dominant and distinctive of the Application Mark in a conceptual sense. The element "Fox Street Wear" is relatively small. Even if it is noticed, it is unlikely to dominate the consumer's overall impression of the mark as the dominant and distinctive element of the Application Mark in the conceptual sense is still "Fox" – the words "Street Wear" being merely descriptive of the goods.

67 In light of the above, I find that there is conceptual identity between the marks as they share the dominant and distinctive concept of a fox.

## Conclusion on Similarity of Marks

68 I now consider whether the respective marks, "when observed in their totality, are similar rather than dissimilar" ([17] of **Staywell**), noting the Court of Appeal's rejection of the suggestion that "any modicum of similarity would compel the court to make a finding of marks-similarity" at [19] of **Staywell**.

69 Earlier on, I have found that the respective marks are (a) visually similar to a high degree, (b) aurally identical and (c) conceptually identical. While bearing in mind that "*trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry*" ([18] of *Staywell*), I find that the Application Mark and the earlier mark are similar to a high degree.

## Comparison of Goods

70 The goods to be compared are:

<b>Opponent's Goods</b>	Applicant's Goods
Clothing, namely <b>jackets</b> , sweatshirts, jerseys, <b>shirts</b> , shorts, hats, caps, gloves and belts.	

71 The Applicant does not dispute that the goods claimed by the Applicant in Class 25 are similar to the goods of the Opponent's earlier mark in Class 25.

72 In my view, the goods are highly similar as they are all items of clothing. Some of the goods are also identical, such as, "jackets" and "shirts".

## Likelihood of Confusion

73 There are at least two types of confusion under Section 8(2)(b). The first is where the consumer mistakes one mark for another. The second is where consumers may 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 or services of both marks emanate from the same source or from sources that are economically linked or associated (see *Hai Tong* at [74]). The Court of Appeal, nonetheless, recognised at [75] that confusion in the sense of "mere association" is not enough. This means that "it is not sufficient that the relevant segment of the public would recognise or recollect similarities between the contesting marks if there is no likelihood of confusion as to origin ensuing". Similar views were also expressed by the Court of Appeal in *City Chain Stores* (*S*) *Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [58].

The Opponent highlighted to me that its investigators reported one instance of actual confusion. A female staff of Hoo Hin Trading Co., a retail outlet that had previously sold the Opponent's goods, had mentioned to the investigator that the Opponent and the Applicant were the same entity. I do not find this helpful. Even if it may be said that the view of this "female staff" represents the view of a relevant consumer, it still remains that this view is merely that of a single member of the relevant public. The Court of Appeal made it clear in *Sarika* (at [57]) what the test should be:

... the essence of this requirement is that there must not be an insubstantial number of the relevant public being confused. This standard is above *de minimis* and must be appreciable, though it is not necessary to show that a majority of the public is confused. It is insufficient, however, if only a "single member" of the relevant public is confused or if only a "very small and unobservant section" is confused ...

75 In the absence of evidence that this view is also representative of a wider segment of the relevant public, I go on to consider whether there is a likelihood of confusion between the marks.

The inquiry into the likelihood of confusion focuses on the effect the mark similarity is likely to have on the relevant segment of the public. Specifically, the question is how they are likely to perceive the origin of goods or services bearing the contesting marks, having regard to the similarity (or, as the case may be, the identity) between the contesting marks as well as the similarity (or identity) between the goods or services in relation to which each is used.

<sup>77</sup> In determining the likelihood of confusion, it is also necessary for me to keep in mind the distinctive character of the earlier mark as the more distinctive the trade mark, the greater the likelihood of confusion<sup>16</sup>. I must also keep in mind the average consumer for the goods, the nature of the purchasing process and the fact that the average consumer rarely has the opportunity to make direct comparisons between trade marks and must instead rely upon the imperfect picture of them he has retained in his mind.

78 The goods in this case, clothing, will be sold in, *inter alia*, traditional retail outlets on the high street, through catalogues and on the Internet. The average consumer of the goods at

<sup>&</sup>lt;sup>16</sup> For the avoidance of doubt, distinctiveness is not the same as reputation. Reputation may have an effect that is contrary to a likelihood of confusion as was seen in *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 at [64].

issue is a member of the general public (including businesses) who is likely, in my opinion, to select the goods mainly by visual means. I accept that more expensive items may be researched or discussed with a member of the staff. Generally, in clothes shops customers can themselves either choose the clothes they wish to buy or be assisted by the sales staff. Whilst oral communication in respect of the product and the trade mark is not excluded, the choice of the item of clothing is generally made visually. Therefore, the visual perception of the marks in question will generally take place prior to purchase. Accordingly, the visual aspect plays a greater role in the assessment of the likelihood of confusion.

As for the degree of care the average consumer will take when selecting clothing, it appears to me that consumers would pay at least an average or medium degree of attention due to the need to consider things such as size, colour, fabric, style and fit. This is so even if it may be said that the item of clothing is relatively inexpensive.

80 Taking into account all relevant factors and in particular:

- a) The dominant features of the Application Mark as well as the arrangement of these dominant features, which are highly similar to that of the earlier mark;
- b) The parties' goods are highly similar, with some goods being identical; and
- c) The earlier mark has an average degree of inherent distinctiveness even without taking into account the use it has made of it (which it has proven to have done so since at least 1997), which would increase its distinctiveness;

I find that the degree of similarity between the marks and the degree of similarity between the goods is sufficient to give rise to a likelihood of confusion. In particular, there is a likelihood of confusion through consumers imperfectly recollecting the Application Mark as the Opponent's, or vice versa, bearing in mind that consumers rarely have the chance to make direct comparisons between marks.

81 Whilst I accept that the Application Mark includes the additional verbal elements of "Fox Street Wear" and "What's Stopping You" in much smaller lettering, the *dominant and distinctive part* as identified in [48] above, and the one on which the average consumer would focus for the purposes of identifying origin, is the portion which is highly similar between the marks.

82 Even if I am wrong in finding that there is a likelihood of direct confusion, I also find that there is also a likelihood of indirect confusion amongst those consumers who do notice and recall the differences between the parties' marks. I find it not unlikely that the public would be induced by the similarity of the marks and the common industry in which they are used into believing that there is at least some economic link between the two marks. This is especially so given that it is common for clothing companies to operate differently branded clothing for different segments, united only by use of a common denominator in their names. Thus, even if the additional verbal elements of "Fox Street Wear" and "What's Stopping You" are absorbed by the average consumer, though in my view this is not likely due to imperfect recollection, the average consumer is likely to suppose that the same economicallylinked undertaking uses both marks sometimes with these words arranged in a subsidiary role, and sometimes without. 83 The Applicant submitted before me that the parties operate in different markets and their goods are sold through different trade channels and as such, there is no likelihood of confusion. It claims that it produces, distributes and sells casual clothing to the mass market while the Opponent is associated with apparel for the sport of motocross. I am not persuaded by this argument. Firstly, it is clear from the evidence that the Opponent's clothing is not just motocross wear but also casual clothing<sup>17</sup> as well. Secondly, even if this is not the case, the scope of the Opponent's registration, "Clothing, namely jackets, sweatshirts, jerseys, shirts, shorts, hats, caps, gloves and belts", is clearly not restricted to motocross wear either. Given that the confusion inquiry must take into account the notional fair uses which the Opponent has or might put its mark to (*Staywell* at [60]), even if the Opponent has not used its mark on casual clothing, the Opponent is nevertheless still entitled to do so.

I now move on to the Applicant's point that the Opponent's goods are sold through sports speciality shops whereas the Applicant's apparel is sold in medium to low-priced department stores. This is clearly an impermissible extraneous factor (*Staywell* at [84]) and I do not take this into account.

85 For the reasons given above, I find that there is a likelihood of confusion between the Application Mark and the Opponent's earlier mark. The ground of opposition under Section 8(2)(b) therefore succeeds.

## Grounds of Opposition under Sections 8(4)(b)(i), 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B)

86 Section 8(4) of the Act reads:

**8.**—(4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004, if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if —

(a) the earlier trade mark is well known in Singapore; and

(b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered —

(i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark; 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.

<sup>&</sup>lt;sup>17</sup> Opponent's 1<sup>st</sup> SD at pp 339-342, 652-659, 827-832, 839.

# Decision on Sections 8(4)(b)(i), 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B)

87 As it can be seen from the above, there are three sub-grounds of opposition within Section 8(4) of the Act, namely: 8(4)(b)(i); 8(4)(b)(i)(A); and 8(4)(b)(i)(B). Two elements are common to all three sub-grounds, namely:

- a) The whole or essential part of the later trade mark must be shown to be identical with or similar to the earlier trade mark; and
- b) The earlier trade mark must be shown to be well known in Singapore. (Although Sections 8(4)(b)(ii)(A) and 8(4)(b)(ii)(B) concern marks that are *well known to the public at large* in Singapore, a mark that is not well known in Singapore cannot be well known to the public at large in Singapore.)

If either (or both) of these elements cannot be established, the opposition under all three subgrounds of Section 8(4) of the Act will fail.

## Similarity of Marks

88 The High Court in *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618 ("*Rovio*") held, at [146], that while there is a difference in the wording of the two provisions, there is no material difference between the similarity of marks enquiry under Section 8(2)(b) and Section 8(4) of the Act.

89 I have found at [69], in relation to the Section 8(2)(b) ground of opposition, that the Application Mark is similar to a high degree to **Figure**. This element is thus satisfied.

90 For the avoidance of doubt, I am aware that the Opponent is also relying on  $\checkmark$  and its various iterations such as  $\checkmark$  and  $\checkmark$  for the purposes of all sub-grounds of Section 8(4). However,  $\checkmark$ , is more similar to the Application Mark than  $\checkmark$  and its various iterations.

## Well Known in Singapore

91 Under this element, I will consider whether the Opponent's marks, including  $\Im$  and  $\Im$ , together with their various iterations, are well known in Singapore as at the Application Date, i.e. 30 March 2005.

92 Section 2(8) of the Act provides that a trade mark which is well known to any relevant sector of the public in Singapore, is deemed to be well known in Singapore. The Opponent submits that the relevant sector of the public in Singapore in this case would be the actual and potential consumers of clothing, casualwear and sportswear in Singapore and more specifically those who are motocross sports enthusiasts. I will therefore examine if the Opponent has proven that it is indeed well known to this sector of the public in Singapore.

93 The High Court in *Caesarstone* cautioned that a mark should not be accorded the status of a "well known" mark lightly (at [159]):

The rights of proprietors of well-known marks are given greater protection. It is for this reason that well-known marks are particularly valuable. Therefore, one must take care not to elide the distinction between well-known marks and what may be loosely termed "ordinary" marks.

94 While the case was reversed by the Court of Appeal, the Court of Appeal did not disagree with this statement and in fact also took the opportunity to clarify what they earlier said in *Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR(R) 216 ("*Amanresorts*") (at [101]-[102] of *Caesarstone CA*):

101 Although we said in *Amanresorts* that it is "not too difficult" for a trade mark to be regarded as well known in Singapore (see [100] above), the Judge thought that this comment should not be taken to mean that the hurdle that trade mark owners had to cross was minimal. Rather, the comment had to be applied with judicious caution to the actual facts and circumstances of each case.

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

95 The Opponent pointed out to me that in the Class 18 case, the Principal Assistant Registrar ("PAR") made the following comment at [92] in respect of the Opponent's evidence on the issue whether it is well known in Singapore:

Without going through the minutiae of the evidence (but see generally [18]-[29] above), it appears that the Opponents' mark could arguably be said to be well-known to motocross enthusiasts (at least in the US), and that goods (mainly clothing in Class 25, but some goods such as bags in Class 18 as well) bearing their marks are sold in Singapore through speciality retail outlets and websites targeting this segment of the public. It may well be that the Opponents could establish that their mark is well-known to this sector of the public in Singapore.

96 However, it is clear from the passage above that the PAR did not make a conclusive finding of fact that the Opponent's mark was well known in Singapore. The decision was also made prior to *Caesarstone*. I will therefore have to come to my own decision based on the facts before me in this case.

97 I have considered the following non-exhaustive pieces of evidence tendered by the Opponent to show that its marks were well known in Singapore before the relevant date:

Opponent's Exhibit	Illustrative Page Numbers	Description
MB-7	310-314	Non-exhaustive list of authorised dealers (past and present) for Fox Racing, Inc in Singapore.

Opponent's Exhibit	Illustrative Page Numbers	Description
MB-10	440, 447, 467, 503, 551, 622	Sample invoices, dating as far back as 1997, evidencing sales transactions between the Opponent and several distributors/representatives in Singapore.
MB-10	432-438	A compilation of sales figures of the Opponent's products in Singapore for the period from 1997 to 2009.
Opponent's 1 <sup>st</sup> SD	11	The Opponent's annual sales figures in Singapore from 1996 to 2013. Before the relevant date, in 2003 and 2004, the annual sales figures were US\$383,606 and US\$196,481 respectively.
MB-10	432, 434, 438	In 2004, the revenue for "Fox Clothing" alone for three of the Opponent's dealers, Dan's Bike Shop, Profile Asia and Sportsbilt totalled US\$52,532.41.
MB-20	74-85	Advertisements bearing the Opponent's marks run by Xtreme Rated Pte Ltd at its shop front in Singapore, online at <u>www.xtremerated.com</u> , and in the June 2015 inflight magazines of two Indonesian airlines, Lion Air and Wings Air.
MB-16	948-1024	In August 2004, the Opponent's marks were prominently displayed in the various shops surveyed by the Private Investigators in Singapore.
MB-11	652-819	Sample printouts from the web pages from <u>www.foxracing.com</u> and <u>www.foxhead.com</u> dating as far back as 2003-2005 showing use of the mark.
MB-12	822-855	Internet extracts from <u>www.mxsouth.com</u> evidencing international online shopping facilities provided to consumers worldwide, including those in Singapore.
MB-9	326-429	Product catalogues and publicity materials which promote and publicise worldwide (including Singapore) products bearing the Opponent's marks.
MB-13	857-937	Extracts from websites selling and promoting products bearing the Opponent's marks.
MB-8	321, 323	Advertising materials worldwide showing use of the Opponent's marks and offering sales through mail order, including Singapore.
Opponent's 1 <sup>st</sup> SD	9-11	Annual breakdown of the Opponent's worldwide marketing expenditure from 2003-2013.

98 Having considered all the evidence tendered by the Opponent, I am of the view that the Opponent has not discharged its burden of proving that its marks are well known in Singapore. While I have no doubt that the Opponent has a business in Singapore and has sold its goods under its marks in Singapore before the relevant date, I am not convinced that the evidence supports a claim that the marks are well known in Singapore.

- 99 My reasons are as follows:
  - a) The Opponent's evidence does not provide any indication as to the size of the motocross sports enthusiast market and the views of the consumers in this market segment. Even if I bear in mind that the Applicant's managing director himself,

as well as the traders at retail outlets which sell the Applicant's goods, have admitted to being aware of the Opponent's mark, this cannot be translated to mean that consumers are equally aware of the Opponent's marks.

- b) In *Caesarstone*, the Opponent's sales figures (ranging from S\$203,634 to S\$3,390,094 per annum)<sup>18</sup> were insufficient to establish that the mark was well known in Singapore. Here, the Opponent's sales figures are significantly lower, averaging around S\$250,000 per annum.
- c) Exhibit MB-10 shows that before the relevant date (at least in 1997), the Opponent had about five or six distributors in Singapore. There is no evidence before me as to size of the market these distributors capture.
- d) The Opponent provided its worldwide promotional figures but it is unclear how much of these expenditures relate to promotional activities in Singapore. The promotional expenditure figures therefore do not go towards establishing that the Opponent's marks are well known in Singapore.
- e) The advertisements bearing the Opponent's marks run by Xtreme Rated Pte Ltd and in the inflight magazines of the two Indonesian airlines are dated after the relevant date.
- f) While the Opponent referred to its websites, <u>www.foxracing.com</u>, <u>www.foxhead.com</u>, and its e-commerce site, <u>http://shop.foxracing.com</u>, and other website links through which the Opponent's goods may be purchased, the Opponent has not provided any evidence as to whether these online websites have generated any sales to Singapore customers. The existence of these websites does not go towards establishing that the Opponent's marks are well known in Singapore.
- g) As for product catalogues and publicity materials which the Opponent claims to use worldwide (including Singapore), the extent that they were used in Singapore is unclear, much less the effect of such use.

100 I therefore find that the Opponent has not proven that its marks are well known to the relevant sector of the public in Singapore and the inquiry under Section 8(4)(b)(i) ends here. *A fortiori*, the Opponent's marks cannot be said to be well known to the public at large in Singapore, under Section 8(4)(b)(i) of the Act. It is therefore unnecessary to further consider the elements of dilution or unfair advantage.

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

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

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

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

<sup>&</sup>lt;sup>18</sup> Caesarstone CA at [104].

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

(a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade;

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

103 It is trite law that there are three elements known as the "classical trinity" in the tort of passing off: (a) goodwill, (b) misrepresentation, and (c) damage (*The Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2016] 3 SLR 517 at [80]).

#### Goodwill

104 The Court of Appeal in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd (trading as L S Electrical Trading)* [2016] SGCA 33 ("*Singsung*") clarified the nature of goodwill at [33]-[34] as follows:

33 The goodwill relevant to a passing off action is not goodwill in the mark, logo or get-up (*CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 ("*CDL Hotels*") at [45]). Instead, the tort of passing off protects a trader's *relationship* with his customers. As was stated by Lord Parker of Waddington in *AG Spalding & Bros v A W Gamage Ld* (1915) 32 RPC 273 at 284:

There appears to be considerable diversity of opinion as to the nature of the right, the invasion of which is the subject of what are known as passing off actions. The more general opinion appears to be that the right is a right of property. This view naturally demands an answer to the question – property in what? Some authorities say property in the mark, name, or get-up improperly used by the defendant. Others say, property in the business or goodwill likely to be injured by the misrepresentation. Lord Herschell in *Reddaway v Banham* (LR (1906) AC 139) expressly dissents from the former view; and if the right invaded is a right of property at all, there are, I think strong reasons for preferring the latter view. ...

34 In our judgment, goodwill, in the context of passing off, is concerned with goodwill in the business *as a whole*, and not specifically in its constituent elements, such as the mark, logo or get-up that it uses (see *Lifestyle 1.99 Pte Ltd v S\$1.99 Pte Ltd (trading as ONE.99 SHOP)* [2000] 1 SLR(R) 687 ("*Lifestyle 1.99*") at [20]–[24]; *Wadlow on Passing Off* at paras 3–003 and 3–004; James Mellor QC *et al, Kerly's Law of Trade Marks and Trade Names* (Sweet & Maxwell, 15th Ed, 2011) ("*Kerly's Law of Trade Marks and Trade Names*") at para 18–100). Goodwill does not exist on its own, but attaches to a business in the jurisdiction and is manifested in the custom that the business enjoys: *CDL Hotels* at [46]. 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 (see *SPGA* at [22]).

105 The Applicant submits that the Opponent has not adduced evidence of substantial sales and promotions in Singapore for 200 and 200 and as such the Opponent does not have the requisite goodwill in Singapore. I am unable to agree with the Applicant. It is clear from

*Singsung* that goodwill in a passing off action is concerned with goodwill in the (Opponent's) business *as a whole* and not in the constituent elements that the business uses.

106 The Opponent's evidence shows that it has been selling its goods to several distributors in Singapore since 1997<sup>19</sup>. These sales have ranged from US\$121,515 (in 1997) to US\$197,381 (in 2005). Accordingly, I find that the Opponent did enjoy goodwill in Singapore as at 30 March 2005.

#### Misrepresentation

107 Under this element, the Opponent must show that its goodwill is associated with its marks and that the use of the Application Mark in respect of the goods for which registration is sought, amounts to a misrepresentation. The misrepresentation (whether intentional or not) must be such that would lead or be likely to lead the public into believing that the goods (in respect of which registration is sought) are the goods of the Opponent or from a commercially related trade source. In this connection, a threshold question which arises is whether the Opponent's marks are distinctive of its goods. This was expressed by the Court of Appeal in *Singsung* at [38] as follows:

In our judgment, the issue of distinctiveness is best understood as a threshold inquiry in the context of determining whether the defendant has committed an actionable misrepresentation. Simply put, if a mark or get-up is not distinctive of the plaintiff's products or services, the mere fact that the defendant has used something similar or even identical in marketing and selling its products or services would not amount to a misrepresentation that the defendant's products or services are the plaintiff's or are economically linked to the plaintiff. Indeed, it has been said (in the context of an alleged representation consisting of the use of a name in connection with goods) that proof that the name has become distinctive of the plaintiff's goods is a "condition precedent" to the success of a passing off action: per Viscount Simmonds in T Oertli AG v E J Bowman (London) Ld (1959) RPC 1 at 4. Similarly, where the alleged representation consists of the use of the get-up, the plaintiff is required to prove that the get-up in question has become distinctive in the sense that the relevant segment of the public recognises goods with that get-up as originating from the plaintiff. If it is found that the mark or get-up is distinctive of the plaintiff, then the next question is whether the use of similar indicia by the defendant amounts to a misrepresentation.

108 In the present case, for the reasons set out at [49] above and considering the use the Opponent has made of its mark since at least 1997, I am satisfied that the first hurdle of distinctiveness of  $\frac{1}{2}$  is crossed here<sup>20</sup>.

109 In coming to the above finding on the threshold inquiry, I am cognisant of the Applicant's claims that there are other traders using "FOX" as a trade mark for clothing and

<sup>&</sup>lt;sup>19</sup> MB-10 of the Opponent's 1<sup>st</sup> SD.

<sup>&</sup>lt;sup>20</sup> However, based on the evidence lodged I am not satisfied that  $\clubsuit$  (and the various iterations thereof) is distinctive of the Opponent. This is because it appears from the evidence that it is the Applicant rather than the Opponent who is the first user of the fox head device in Singapore (it is the Applicant's evidence that its predecessor has been using  $\clubsuit$  since 1979 while the Opponent's evidence is that its marks were first used in Singapore since 1996).

as such, the Opponent's  $\longrightarrow$  mark is not distinctive of it. I am not persuaded by this argument. I find that this specific depiction of  $\longrightarrow$  is distinctive of the Opponent.

110 Turning to the crux of the second element, namely, whether the use of the Application Mark amounts to a misrepresentation which creates a likelihood of confusion, I have found in respect of the claim under Section 8(1)(b) of the Act that there is a high degree of similarity between the Opponent's mark and the Application Mark, and further, that there is a likelihood of confusion arising in the circumstances. I reiterate my reasons set out at [80]–[83] above. Although the relevant tests for the tort of passing off and a claim under Section 8(1)(b) are not identical, and although in an action for passing off, this tribunal is not constrained in the same way that it would be in considering the case under Section 8(1)(b) in identifying the factors it may take into account, I am satisfied here that for those same reasons, the element of misrepresentation is made out.

111 For clarity, the Application Mark was applied for on 30 March 2005 and that is therefore the relevant date. However, since the Applicant commenced use of the Application Mark prior to this, this use must also be taken into account for it could, for example, establish that it is the Applicant that is the senior user. However, the Application Mark was used in 2000 and that is still later than the Opponent's use of its marks in Singapore, which commenced since 1996.

112 On a related point, the Applicant drew my attention to the fact that the Application Mark has co-existed with the Opponent's mark for at least 5 years before the Application Date and the fact that no evidence has been adduced of any actual confusion throughout this period<sup>21</sup> shows that confusion is unlikely. However, it is clear that while evidence of actual confusion may be helpful in the determination of the question, the lack of such evidence is not fatal to a claim (*Singsung* at [40]).

113 Finally, I am aware that it is the Applicant's position that its predecessor was the earlier user of the 5 mark in Singapore, namely since 1979, whereas the Opponent's use of its marks only commenced in 1996. In my view, this is immaterial for the reasons alluded to at [30].

## Damage

114 As regards damage, it was stated by the Court of Appeal in *Singsung* at [87] as follows:

The element of damage may be dealt with briefly. In our judgment, in view of the respondent's misrepresentation, it is indisputable that the appellant's goodwill would be adversely affected through a diversion of custom, given that the appellant and respondent were competing in exactly the same line of products and in the same export jurisdictions.

115 In the present case, given the parties are in the same field of business activity, the similarity between the marks as well as the likelihood of confusion which I have found in relation to the case under Section 8(1)(b), I find that there is a real likelihood of damage to the

<sup>&</sup>lt;sup>21</sup> Other than the incident referred to at [74].

Opponent's goodwill arising from the diversion of custom if consumers of the relevant segment of the public were led to believe that goods bearing the Application Mark were the goods of the Opponent or were otherwise associated with or connected with the Opponent. The claim in passing off is therefore made out.

Conclusion on Section 8(7)(a)

116 The ground of opposition under Section 8(7)(a) therefore succeeds.

## **Ground of Opposition under Section 7(6)**

117 Section 7(6) of the Act provides:

**7.**—(6) A trade mark shall not be registered if or to the extent that the application is made in bad faith.

#### **Decision on Section 7(6)**

118 The leading case in this area is the Court of Appeal's decision in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 ("*Valentino*"). Some of the key principles laid down in that case which are pertinent to the present case are:

- a) The legal burden of proof needed to substantiate an action on this ground lies on the party bringing the application (*Valentino* at [21]).
- b) Bad faith embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve no breach of any duty, obligation, prohibition or requirement that is legally binding upon the registrant of the trade mark (*Valentino* at [28]).
- c) The test for determining bad faith is a combined one, in that it contains both a subjective element (*viz*, what the particular applicant knows) and an objective element (*viz*, what ordinary persons adopting proper standards would think). Thus, "bad faith" as a concept is context-dependent. In the final analysis, whether bad faith exists or not hinges on the specific factual matrix of each case (*Valentino* at [29]).
- d) Once a *prima facie* case of bad faith is made out by the Opponent, the burden of disproving any element of bad faith on the part of the Applicant would arise (*Valentino* at [36]).
- e) An allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence, which will rarely be possible by a process of inference (*Valentino* at [30]). However, as observed in Ng-Loy Wee Loon, *Law of Intellectual Property of Singapore* (Second Edition) Sweet & Maxwell 2014 at [21.4.1] ("*Law of Intellectual Property of Singapore*"), footnote 109, this does not mean that there is an absolute prohibition against drawing inferences. In support of this observation, Professor Ng-Loy cited the decision in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 ("*Festina*") at [115], where the High

Court pointed out that a finding of bad faith was largely, if not invariably, based on circumstantial evidence.

119 It is well established that the relevant time for determining whether there is bad faith is the time of filing the application for registration (*Festina* at [100]) – in this case, as of 30 March 2005.

- 120 The Opponent's case of bad faith essentially revolves around these allegations:
  - a) The Applicant admitted that it knew about the Opponent's marks at the time of creating and filing of the Application Mark<sup>22</sup> yet it adopted a mark that is very close to the Opponent's prior and the marks<sup>23</sup>;
  - b) The Applicant's earlier mark, , registered on 2 September 1999, is a copy of a mark,  $\swarrow$ , owned by Fox Factory, Inc and first used in commerce in 1978; and
  - c) The slogan "WHAT'S STOPPING YOU" in the Application Mark is the exact same slogan used by the Opponent in an advertisement which was published in May 1997<sup>24</sup>. The Applicant's choice of an identical phrase could not have been purely coincidental.

121 The Opponent also sought to rely on certain events disclosed in an investigation report which was conducted on the Applicant in 2004. The report was exhibited to an SD by Tan Chin Chuan of Commercial Investigations LLP dated 10 February 2010, sworn for the purposes of the Class 18 case. However, Tan Chin Chuan did not declare an SD in these proceedings. This report was merely exhibited as MB-16 to the Opponent's 1<sup>st</sup> SD.

122 As far as the investigation report is concerned, I attach very little weight to it. Firstly, the investigator's version of the events is disputed by the Applicant<sup>25</sup>. Secondly, by not calling Tan Chin Chuan to declare an SD in these proceedings, the Applicant did not have the opportunity to cross-examine Tan Chin Chuan on the contents of the investigation report. As such, it would not be appropriate for me to make adverse factual findings against the Applicant on the basis of material which the Applicant could not challenge.

123 Having considered all of the above and taking into account all the circumstances of the case, I am not persuaded that the ground of bad faith has been made out. My reasons are as follows.

124 It is well established that knowledge of a trade mark belonging to an opposing party per se is not sufficient in and of itself to constitute bad faith. In *Law of Intellectual Property of Singapore* at [21.4.5], the learned author noted that:

<sup>&</sup>lt;sup>22</sup> Exhibit MB-22 of Opponent's 2<sup>nd</sup> SD, p 127.

<sup>&</sup>lt;sup>23</sup> Opponent's WS at [173].

<sup>&</sup>lt;sup>24</sup> Notice of Opposition at [26].

<sup>&</sup>lt;sup>25</sup> The person named as Pathma in paragraph 63 of the investigation report gave her own first-hand account of the events that transpired between her and the investigator in these proceedings.

One of the facts often relied upon to make out a case of bad faith is the knowledge of the trade mark applicant that there existed another trade mark belonging to the party opposing the application or to a third party. This knowledge is certainly a relevant fact in the bad faith inquiry...It should be noted, however, that this knowledge per se does not amount to bad faith. Whether there is bad faith in a case where the trade mark applicant possesses this knowledge depends on the broader question of whether, in the light of all the other circumstances in the case, an ordinary, honest person possessing this knowledge would have considered it appropriate to apply to register the trade mark.

125 Therefore, the fact that the Applicant knew about the Opponent's marks at the time of creating and filing of the Application Mark is not per se evidence of bad faith. However, what about the concerns raised by the Opponent that the Applicant's  $\Im$  and  $\limsup$  marks and the words "WHAT'S STOPPING YOU" could have been copied from the Opponent or other

third parties? Firstly, the issue I have to decide is whether the Application Mark, was made in bad faith. The Applicant's intention behind its use and registration of other signs is not the issue that is directly before me. Furthermore, if these signs were indeed applied for in bad faith, the proper recourse is for the Opponent to attack the registration of these signs

directly but this was not done. Secondly, in relation to the Opponent's use of  $\Im$  and  $\Im$ , which it claims began before the Applicant's use of these signs in Singapore, the use relied upon appears to have been in the United States, and not Singapore. Even if it is proven, which is not in the present case, it seems to me that mere knowledge of another party's use of a mark abroad per se is not sufficient to justify a finding that a similar or identical mark registered in Singapore is made in bad faith. This is because trade marks are territorial in nature and there is no evidence that the Opponent used its marks in Singapore when the Applicant's predecessor applied to register  $\Im$  and  $\Im$ , in the 1980s.

126 In any event, in deciding whether the application to register the Application Mark, was made in bad faith, I note that the Applicant began using the Application Mark since 2000. Clothing bearing the Application Mark are available in department stores, such as, John Little, Isetan, Robinsons, and hypermarts, such as, Carrefour and Giant, among other retailers. The sales figures for clothing bearing the Application Mark have been set out at [14] and the figures are by no means insignificant.

127 Taking into account the use that the Applicant has made of the Application Mark since 2000, a good 5 years before the relevant date, it seems to me that it is not inappropriate for the Applicant to apply to register the Application Mark to protect its business interest. To suggest that this is an action that falls below the standards of acceptable commercial behaviour is rejected.

128 In this regard, it is useful to refer to the remarks of the High Court in *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073 at [49]:

... It appears to me to be an incontrovertible proposition that if a registrant of a trade mark has proprietorship of that trade mark, or at the very least, the right to register that trade mark, then such registration of the trade mark should fall well within the standards of acceptable commercial behaviour observed by reasonable and experienced persons in the particular trade...

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

*Conclusion on Section 7(6)* 

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

#### Ground of Opposition under Section 8(7)(b)

131 Section 8(7)(b) of the Act provides:

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

••

(b) by virtue of an earlier right other than those referred to in subsections (1), (2) and (3) or paragraph (a), in particular by virtue of the law of copyright or any law with regard to the protection of designs.

Decision on Section 8(7)(b)

132 The Opponent submits that the Application Mark, *we*, violates the copyright owned by the Opponent, and as such, the use of the Application Mark in Singapore is liable to be prevented by virtue of the law of copyright.

133 In order to succeed under this ground, the Opponent must at the very least establish a *prima facie* case of copyright infringement. This means that the Opponent must prove:

- a) Firstly, the subsistence and its ownership of copyright in the work relied on; and
- b) Secondly, that the Application Mark is a copy of a substantial part of the work.

Subsistence and ownership of copyright

134 Under this ground, the Opponent relies on its copyright in  $\overline{\mathbb{S}}$ . The Opponent submits that it is the owner of the copyright in  $\overline{\mathbb{S}}$  as supported by the following:

- a) Copyright Notice accepted by the New Zealand Customs Service from the Opponent as Copyright Holder in respect of 57, as well as the Certificates of Registration of Copyright in respect of two of the Opponent's marks in Canada;
- b) Copyright certificate of the marks in Korea and corresponding English translation, showing copyright registrations of the mark in Korea.

- c) The Opponent's 1976 catalogue published in the US showing the use of  $\overleftarrow{\nabla}$  on the catalogue and on products offered such as clothing; and
- d) The Opponent's 1977 catalogue published in the US showing the use of  $\stackrel{\text{$\widehat{}}}{\bigvee}$  on the catalogue, and on products offered such as clothing and headgear.

135 I will examine each of the above items in turn.

136 Copyright Notice accepted by the New Zealand Customs Service – I note that the date of acceptance was in 2002. In light that the Applicant's trade mark registration of their fox head device ( $\overline{\mathbb{S}}$ ), which is identical or almost identical to the Opponent's alleged copyright work, is in 1981, this Copyright Notice does not assist to prove that the Opponent owns the copyright in  $\overline{\mathbb{S}}$ .

137 As for the Canadian Certificates of Registration of Copyright, these certificates do not show the work. Even assuming that the work is for the fox head device, the date of copyright registration is 2009, with the earliest date of first publication in 1994. Again, these post-date the Applicant's 1981 registration for the fox head device as a trade mark in Singapore.

138 The Korean Copyright Certificate is also not helpful for the same reasons that I have given for rejecting the Canadian Certificates and the New Zealand Customs Service Copyright Notice. The registration was in 1992 and the date of creation in 1990.

139 The Opponent's 1976 and 1977 catalogues are more helpful to the Opponent's claim as they pre-date the Applicant's 1981 trade mark registration. However, even if I accept that the Opponent is the first user of the fox head device, evidence of use is not evidence of ownership of the copyright in the work used. It is not to be forgotten that for copyright to subsist, one of the conditions that the Opponent must establish is that the work must be original. There is no statutory definition of "originality" but it is generally accepted that if the work is independently created and not copied from another, it is original. In other words, an author must first be identified before the work in question can be deemed to be original (*Asia Pacific Publishing Pte Ltd v Pioneers & Leaders (Publishers) Pte Ltd* [2011] 4 SLR 381 at [75]).

140 In the face of evidence of a contesting claim by the Applicant (ownership of a trade mark which is identical or almost identical), the fact that the Opponent has not presented any evidence as to authorship and origination of the work, nor explained the basis for its claim to copyright, is quite unsatisfactory. Questions such as, when was the work created, who was it created by and how did the Opponent come to own it, remain mysteries in this case and I am not prepared to accept the Opponent's copyright claim simply based on the documents adduced.

141 In this regard, I bear in mind the guidance of the High Court in *Rovio* at [237] as follows:

... In a copyright infringement action where subsistence and ownership is in dispute, evidence and submissions are often required on, inter alia, (a) who is the author, (b) whether the work is original to the author, (c) whether the material falls into one of the

nine types of copyright subject-matter, and (d) the basis for the claim to copyright if the claimant is not the author (such as an employment relationship, or assignment).

142 As the Opponent has not demonstrated on the balance of probabilities that it owns the copyright in the work relied on, it is not necessary for me to examine the other element, namely whether there was copying.

*Conclusion on Section* 8(7)(*b*)

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

## Conclusion

144 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition succeeds under Section 8(2)(b) and Section 8(7)(a) but fails on all the other grounds relied on by the Opponent. Accordingly, the Application Mark shall be refused registration.

145 The Opponent has succeeded in the opposition and is entitled to an award of costs in its favour. However, having regard to the fact that the Opponent only succeeded on two out of seven grounds, I am not inclined to award the Opponent full costs. I will hear parties further on costs.

Date of Issue: 8 June 2018