

SINGAPORE LEGAL UPDATE: INTELLECTUAL PROPERTY

SELECTED RECENT DEVELOPMENTS IN THE TRADEMARK LANDSCAPE OF SINGAPORE

LEGISLATIVE AMENDMENTS TO THE SINGAPORE TRADE MARKS ACT

The Singapore Treaty on the Law of Trade Marks ["STLT"] was introduced during a successful diplomatic conference that the World Intellectual Property Office held in Singapore in March 2006.

The Singapore Trade Marks Act ["the Act"] was amended in 2007 to give effect to the STLT, to bring promote the growth of the local IP industry and to allow Singapore to be on par with international practices.

Some of the key amendments are set out below:-

a) Multi-Class Registration

Singapore now allows for a multi-class registration.

An applicant is allowed to make a single application for goods and services belonging to two or more classes, leading to one registration. Upon registration, the multi-class registration may be renewed by a single renewal.

b) Division of an application for registration

To complement a multiple-class system, it is now possible to divide a trade mark application into two or more applications so that those classes of goods or services that do not face opposition or objection can proceed to registration first. Division will therefore expedite trade mark registration where appropriate.

c) Relief Measures

Trade mark owners will be glad to know that the Act currently provides for relief measures to alleviate procedural mistakes by trade mark applicants, notably in relation to missed deadlines. The relief measures provide the avenue for a trade mark applicant to maintain the rights in an application that has been filed, even when such deadlines have been missed.

d) Registration of Licence of Pending Marks

The Act now allows for registration of licences relating to pending trade marks. This was not allowed prior to the amendments.

JUDICIAL DEVELOPMENTS- WELL-KNOWN MARKS

Well-known marks are protected in Singapore.

The concept of well-known marks was first introduced in Singapore in 1999 when the Act was amended to provide for well-known trade marks. Under the Act, even if a well-known mark is not registered in Singapore, the owner of a well known trade mark may take action against the use of a trade mark/business identifier under the following circumstances:

- The use of the trade mark/business identifier would indicate a connection between those goods or services and the owner of the well-known trade mark, and is likely to damage the interests of the owner of the well-known trade mark.
- If the trade mark is well-known to the public at large in Singapore, where the use of the trade mark/business identifier would:

- cause dilution in an unfair manner of the distinctive character of the well-known trade mark; or
- take unfair advantage of the distinctive character of the well-known trade mark.

Under the Act, a number of factors may be considered in determining whether a mark is well-known in Singapore such as:

- the degree of knowledge/recognition by the relevant sector of the public in Singapore;
- the duration, extent and geographical area of the use or promotion of the mark;
- any registration/application for registration in any country;
- any successful enforcement of the mark in any country;
- any value associated with the mark.

Since the introduction of well-known marks into the legislative landscape of Singapore in 1999, the first decision based on the well-known status of a mark in Singapore was made only eight years later, in 2007. For the first time in Singapore, in the landmark case of Amanresorts Limited and Another v Novelty Pte Ltd [2008] 2SLR 32 [**“the Aman case”**], the Courts recognized a trade mark as being well-known and consequently restrained another party from using the well-known mark.

In the Aman case, the plaintiffs are the proprietors of various trade marks worldwide consisting of the word “Aman” or the prefix “Aman”, including “Amanusa”, which was, however, not a Singapore trade mark at the material time. “Amanusa” is the name of one of the plaintiffs’ exclusive resorts in Bali, Indonesia. The defendant is a developer of real estate in Singapore which named one of its local residential projects “Amanusa”. The plaintiffs claimed, among other things, that their trade marks were well-known and were entitled to protection under the Act. The Court found that the various “Aman” marks including the “Amanusa” mark are well-known marks under the Act and granted the injunction to restrain the defendant from using the name “Amanusa”.

Following the Aman case, the courts in Singapore as well as the official government IP regulator in Singapore, the Intellectual Property Office of Singapore (IPOS), have decided on a number of other cases on well-known marks in Singapore.

In two separate recent cases, a Japanese company as well as a Korean company were found crossing swords with their respective adversaries.

In the IPOS case of Pensonic Corporation Sdn Bhd v Matsushita Electric Industrial Co. Ltd [2008] SGIPOS 9, Matsushita succeeded in opposing the registration of a mark by Pensonic Corporation Sdn Bhd [**“the Applicant”**], a Malaysian Company. The Applicant had applied for the registration of a mark comprising of the word Pensonic and a device of a letter P for class 9 goods including electrical apparatus and instruments. Matsushita claimed, inter alia, that their Panasonic trade mark was well-known and therefore, the Applicant’s mark was objectionable under the Act. The Court, in arriving at the finding that the Panasonic mark was a well-known mark in Singapore, took into account that fact that Matsushita:

- proved that they have used the Panasonic mark extensively not just in Singapore but also worldwide;
- had used the Panasonic mark in Singapore since 1990. In Singapore, they achieved close to half a billion dollars in sales of electronic branded products under the Panasonic mark in each of the two years before the filing date of the Applicant’s mark. They sold their goods in Singapore through a network of more than 100 authorized dealers and spent an average of SGD\$10 million a year in advertising and promotions;
- had also been involved in various sponsorship and charitable activities; and

- had more than 10 companies under the Panasonic name which are either subsidiaries or related companies; their group of companies employs no less than 6500 employees in Singapore.

In the case of Mobil Petroleum Company Inc v Hyundai Mobis [2008] SGHC 1004, Hyundai Mobis, the South Korean automotive parts company had applied for registration of the mark “MOBIS” for class 12 goods covering automotive parts and equipment. Mobil opposed the mark, arguing, inter alia, that its MOBIL mark is well-known. The Court affirmed the decision of the Principal Assistant Registrar of IPOS in dismissing Mobil’s opposition. In this case, although it was accepted by the Court that the MOBIL mark was well-known, the opposition failed. The issue to be determined was whether the use of the MOBIS mark in relation to the class 12 goods would indicate a connection between the goods and Mobil. The Court held that although the term “connection” has to be construed widely, it has to be done in the context of the MOBIL mark and the MOBIS mark, taking into account their visual and aural similarities. The judge commented that it is also necessary to take into account the extent to which they are similar. Thus if two marks are visually very close, then the likelihood of connection and confusion would be higher. In the present case, the Court held that although there is similarity, there was no such connection as the resemblance between the marks was limited by the differences in their font, capitalization and colours. Further, in the context of the nature of the goods of Mobil and Hyundai Mobis, the use of MOBIS would not indicate a connection with Mobil.

Although it has taken almost ten years for the first judicial decision to be made after the introduction of the concept of well-known marks into the Act, the recent judicial developments mark an important milestone for Singapore as they illustrate Singapore’s continuing efforts to develop the intellectual property landscape and to enforce the rights of deserving brand owners.

JUDICIAL DEVELOPMENTS-INVALIDATION AND REVOCATION OF TRADE MARKS

In a recent case Singapore High Court case of Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd and Another [2008] SGHC 51, the “Rooster” trade mark [**“the Mark”**] in question was registered in Singapore in respect of cordyceps in 2001 with effect from 6 September 1995, the filing date. The first registered owner of the Mark assigned the ownership to the first defendant. In 2005, the first defendant granted an exclusive licence to Yu Ceng Trading Pte Ltd [**“Yu Ceng”**] to use the Mark. That same year, Yu Ceng applied for and obtained search warrants pursuant to which the plaintiff’s premises were raided and quantities of cordyceps were seized. In 2006, Yu Ceng’s licence was novated in favour of the second defendant.

The plaintiff applied for, among other things:

- a) an order for the revocation of the Mark and/or
- b) an order that the mark was invalid.

Revocation

Under the Act, a trade mark may be revoked on the ground that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for which it is registered. With regard to the plaintiff’s application for revocation, the plaintiff submitted, among other things, that the Mark had become a common name in the trade. The court held that for revocation on this ground, the trade mark must have become the common name in the trade after it has been registered and the cause of this must be the action or inaction of the proprietor. In contrast, where a trade mark is already the common name in the trade before its registration, as per the case at hand, that cannot be the consequence of the action or inaction of the proprietor.

Accordingly, the plaintiff failed to revoke the Mark on this ground.

Invalidation

Under the Act, a trade mark may be invalidated on the ground that it has become customary or if it was not capable of distinguishing.

With regard to plaintiff’s application for invalidation, the plaintiff argued, among other things, that:

- a) the Mark was customary to cordyceps;
- b) the Mark was not capable of distinguishing the cordyceps from cordyceps of other suppliers.

a) Whether the Mark is customary

The judge commented that the essence of the objection in the provision is that the sign is generic either amongst the general public or amongst the trade. On the facts of the case, the judge was of the view that “‘Rooster’ brand cordyceps”, “‘Rooster’ mark cordyceps”, or just “‘Rooster’ cordyceps” are understood to refer to Chinese cordyceps, whether supplied by the first defendant or by other Chinese sources. But “Rooster” by itself, without reference to cordyceps, does not have that effect, and the Mark is not synonymous to cordyceps in the way “thermos” is synonymous to vacuum flasks. That being the case, the Mark does not fall under the prohibition under the Act against trade marks which have become customary.

b) Whether the Mark is capable of distinguishing

There were two different approaches that were considered by the judge.

In the first approach, a mark’s capability to distinguish the goods of one person from the goods of other persons can be understood and ascertained in two ways. One way is to focus on the inherent nature of the mark. The Mark, looked at on its own in this way, is capable of distinguishing one trader’s cordyceps from others.

The second way of assessing the capability to distinguish is to look at the mark and the surrounding circumstances at the time of the application to register, and decide whether the mark can identify the goods of the applicant from the goods of other suppliers in the circumstances. Employing this method, if the Mark is used by other suppliers as well, it is not capable of distinguishing the proprietor’s cordyceps from the other suppliers’ cordyceps.

The judge adopted the latter approach. The court held that at the time of the application for registration in Singapore in 1995, the Mark was used in Singapore on cordyceps of other suppliers. Therefore, the Mark was not a trade mark as it did not distinguish the proprietor’s cordyceps from that of the other suppliers which use the same mark.

Having decided that the Mark may be invalidated, the court went on to consider whether it had the discretion to nonetheless allow the Mark to remain on the register.

Interestingly, the court departed from the practice as laid down in earlier cases and held that under the relevant provisions of the Act, the court has a discretion whether or not to revoke or invalidate a mark when the conditions are established. In deciding whether to exercise the power to revoke, the court held that the relevant circumstances to consider include the following:

- a) the triggering factor;
- b) the conditions at the time of the application to revoke;
- c) the balance of the interests involved; and
- d) the conduct of the Applicant.

On the facts of the case, the judge considered the fact that the Mark was being used only by the defendants as the other users had ceased using the mark after it was registered in Singapore. Accordingly, there was no confusion or deception arising from the defendants’ use of the mark. On the facts, there was the allegation that the counterfeit “Rooster” mark is being used by unauthorised parties. The judge commented that the remedy to such improper use is enforcement proceedings such as what the defendants have commenced, and not the removal of the mark itself. In this respect, the defendants in taking action to promote the mark and protect it from infringement are exercising their existing legal rights. The plaintiff, on the other hand, has no interest in the mark. It does not claim ownership of the mark. Its case was that because the mark should not have been registered, the registration should be set aside now, and conditions be allowed to revert to the pre-registration state when the same mark was used for all Chinese cordyceps.

Accordingly, based on the above and on balancing the different interests, the court held that the status quo should be maintained, and the registration of Mark should be continued.

An appeal to the Court of Appeal has since been heard and judgment has been reserved.

In another case, two jewellery companies crossed swords over the use of the word “LOVE”. In Love & Co Pte Ltd v the Carat Club Pte Ltd [2008] SGHC 158, the defendant, the Carat Club Pte Ltd had

registered the "LOVE" trade mark in respect of diamonds, jewellery and precious stones in Class 14 ["the LOVE mark"] in Singapore.

The plaintiff's related Malaysian company, Love & Co Sdn Bhd, had prior to the launch of its Malaysian store received a demand letter from the solicitors acting for the defendant's related company, ordering it to stop using the name. As the Singapore store of the plaintiff bearing the name "Love & Co" was launched and to prevent a recurrence of what had happened in Malaysia, the plaintiff sent a letter, through its solicitors, to the defendant to voluntarily cancel the LOVE mark on the basis that it was vulnerable to revocation and invalidation.

It was held that the LOVE mark is not distinctive enough and that it refers to the intended purpose of the goods. The judge commented that "I am of the view that jewellers should be entitled to use the word "LOVE" freely whether as a laudatory description or otherwise, when they advertise, promote and market their jewellery items as the best possible gift and expression of love."

JUDICIAL DEVELOPMENTS-INFRINGEMENT OF TRADE MARKS

French luxury goods company Louis Vuitton successfully sued City Chain, the Hong Kong based watch chain for infringing the trademark of the Flower Quatrefoil and the Flower Quatrefoil Diamond, patterns found on Louis Vuitton wallets and handbags.

The above victory in Singapore was the latest feather in the cap for Louis Vuitton after they had won in a similar suit in China. They have another case in Malaysia which is pending.

Louis Vuitton's lawyers had argued that City Chain's use of a similar, if not identical mark on its watches would create confusion amongst the public. City Chain had, through its lawyers, argued that the design used by them was not used as a trademark to indicate the origin of the watches but merely as a decorative element.

As of the date that this article was written, it was reported in the newspapers that City Chain was in the midst of consulting its lawyers with a view to filing an appeal.

If you have any queries about this Legal Update or wish to discuss how it may potentially affect you or your business, please feel free to contact our Intellectual Property, Media & Entertainment Department or any of our lawyers below:

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