

Mobil Petroleum Co, Inc
v
Hyundai Mobis

[2009] SGCA 38

Court of Appeal — Civil Appeal No 98 of 2008

(Originating Summons No 1577 of 2007)

Chao Hick Tin JA, Andrew Phang Boon Leong JA and V K Rajah JA

15 January 2009

Trade Marks and Trade Names — Well-known trade mark — Refusal of registration — Automobile parts manufacturer registering trade mark which was similar to that used by oil and oil lubricant company — Whether use of later trade mark in relation to goods and services for which later trade mark was sought to be registered would indicate connection between those goods and services and proprietor of earlier trade mark — Whether there was likelihood of confusion on part of public because of such use — Whether interests of proprietor of earlier trade mark were likely to be damaged by such use — Section 8(3) Trade Marks Act (Cap 332, 1999 Rev Ed)

Trade Marks and Trade Names — Well-known trade mark — Whether appellant was entitled to rely on ss 4(2), 28(2) and 55 Trade Marks Act (Cap 332, 2005 Rev Ed) to oppose registration of respondent’s trade mark — Sections 4(2), 28(2) and 55 Trade Marks Act (Cap 332, 2005 Rev Ed)

Facts

The appellant was the registered proprietor of the trade mark MOBIL in the oil and oil lubricant business. The respondent, on the other hand, designed and manufactured automobile parts. The appellant opposed the registration of the respondent’s trade mark MOBIS on the ground that it was similar to the registered MOBIL trade mark and could, *inter alia*, give rise to confusion under s 8(3) of the Trade Marks Act (Cap 332, 1999 Rev Ed) (“TMA”). The two trade marks were designed differently, and the respondent gave evidence that the MOBIS trade mark was derived based on the concept of combining the two words “Mobile” and “System”, which meant “an enterprise specialising in the manufacture of automobile component and system”. The High Court found that the trade marks were conceptually not similar and that there was no indication of a connection between the goods bearing the MOBIS mark and the appellant. In the result, the High Court held that there was no likelihood of confusion on the part of the public and dismissed the appellant’s case. Nonetheless, the High Court opined (albeit *obiter*) that had the requirements of “connection” and “confusion” been made out under s 8(3), there was enough evidence to find that the interests of the appellant would likely be damaged by use of the respondent’s trade mark. The appellant then appealed against the High Court’s decision. The appellant also argued for the first time before the Court of Appeal, that ss 4(2), 28(2) and 55 of the Trade Marks Act (Cap 322, 2005 Rev Ed) (“TMA 2005”) gave the appellant additional rights to oppose the MOBIS trade mark.

Held, dismissing the appeal:

(1) The law of passing off required a trade mark to possess goodwill in Singapore before a plaintiff could succeed in his claim whereas the TMA dispensed with such a requirement for well known marks. Therefore, caution had to be exercised before applying any tests derived from the law of passing off to the law of well known marks under the TMA. That being said, there *were* much similarities between the two regimes because the provisions in the TMA on the protection of well known marks were introduced to supplement the protection already afforded to well known marks under the common law. Therefore, there should be a level of commensurability between the standards adopted in both the common law and statutory regimes: at [19] to [34].

(2) The essential prerequisites of s 8(3) were satisfied and it was undisputed that the MOBIL trade mark was a well known mark. The only matters in dispute were the requirements of “connection”, “confusion” and “damage” under s 8(3): at [15] to [18].

(3) On the requirement of “connection” under s 8(3)(ii), there was no need to show confusion of the public since this was already an express requirement under s 8(3)(iii). A “connection” under s 8(3) could relate to a connection as to trade origin, quality or as to business. A business connection suggested some business relationship between the owner of the earlier trade mark and the goods or services covered by the opposed trade mark. In this case, there was no connection under s 8(3)(ii) as a connection was not a mere association between Mobil and MOBIS or a mere expectation that Mobil would expand into the field which the MOBIS trade mark was to be registered: at [48], [49], [51] to [54] and [59] to [62].

(4) On the requirement of “confusion” under s 8(3)(iii), proof of this requirement did not exempt a plaintiff from showing that there was a “connection” under s 8(3)(ii). Each element required under s 8(3) had to be proven serially. The “global confusion test” under s 8(2) was equally applicable to show “confusion” under s 8(3)(iii) and “confusion” had to be based on a substantial portion of the public. In this case, there was no “confusion” because the trade channels of both Mobil and Hyundai Mobis were different, and an average consumer who saw MOBIS automobile parts would be slow to confuse them with Mobil. Even if the appellant provided a novel one stop service for motorists, including the provision of vehicle repair services, the novel concept would in itself reduce the likelihood of confusion. In any case, educated consumers in Singapore were unlikely to be confused: at [64], [69], [82] and [85] to [88].

(5) On the requirement of “damage” under s 8(3)(iv), while the scope of “interests” protected under the section was broad, it did not extend to non-confusing types of dilution of the well known mark by way of blurring or tarnishment. Under s 8(3)(iv), any damage to interests would flow from “confusion” shown under s 8(3)(iii). Possible heads of damage (but by no means exhaustive) could include restriction on the expansion of trade mark use and risk of litigation. In this case, there would not be any damage to the appellant’s interests because the appellant would not have suffered from a diversion of sales, and because the registration of the MOBIS trade mark would not have restricted the ability of the appellant to expand the use of its MOBIL trade mark. In any

case, even if there was a mere likelihood of damage to the appellant's interests, this was in itself insufficient to oppose the registration of the MOBIS trade mark under s 8(3) unless the requirements of "connection" and "confusion" were also shown to have been met: at [93], [96], [99] to [106] and [108] to [111].

(6) On the issue of opposing the MOBIS trade mark based on ss 4(2), 28(2) and 55 of the TMA 2005, this would be tantamount to fudging distinct provisions in the trade mark legislation. These provisions did not relate to the opposition of trade marks and since the law of registration was exhaustively set out in Part II of the trade mark legislation, conceptual clarity between different provisions in the legislation had to be maintained: at [113] to [119].

Case(s) referred to

- Amanresorts Ltd v Novelty Pte Ltd* [2008] 2 SLR(R) 32; [2008] 2 SLR 32 (refd)
Associated Newspapers Group Plc v Insert Media Ltd [1991] FSR 380 (refd)
Barnsley Brewery Co Ltd v RBNB [1997] FSR 462 (refd)
Britesmile International, Ltd v Smile Inc Asia Pte Ltd [2005] SGIPOS 9 (refd)
Caterpillar Inc v Ong Eng Peng [2006] 2 SLR(R) 669; [2006] 2 SLR 669 (refd)
CDL Hotels International Ltd v Pontiac Marina Pte Ltd [1998] 1 SLR(R) 975; [1998] 2 SLR 550 (refd)
Chelsea Man Menswear Ltd v Chelsea Girl Ltd [1987] RPC 189 (refd)
Future Enterprises Pte Ltd v McDonald's Corp [2007] 2 SLR(R) 845; [2007] 2 SLR 845 (refd)
Frank Reddaway and Frank Reddaway & Co, Ltd v George Banham and George Banham & Co, Ltd [1896] AC 199 (refd)
HP Bulmer Ltd and Showerings Ltd v J Bollinger SA and Champagne Lanson Pere et Fils [1978] RPC 79 (refd)
Hyundai Mobis v Mobil Petroleum Co, Inc [2007] SGIPOS 12 (refd)
Illustrated Newspapers, Ltd v Publicity Services (London), Ltd [1938] Ch 414 (refd)
J Bollinger v Costa Brava Wine Co Ltd (No 2) [1961] 1 WLR 277 (refd)
McDonald's Corp v Joburgers Drive-In Restaurant (Pty) Ltd (1996) 35 IPR 11 (refd)
Neutrogena Corp v Golden Ltd [1996] RPC 473 (refd)
North Cheshire & Manchester Brewery Co v Manchester Brewery Co [1899] AC 83 (refd)
Novelty Pte Ltd v Amanresorts Ltd [2009] 3 SLR(R) 216; [2009] 3 SLR 216 (refd)
Pensonic Corp Sdn Bhd v Matsushita Electric Industrial Co Ltd [2008] SGIPOS 9 (refd)
Philips Electronics NV v Remington Consumer Products [1998] RPC 283 (refd)
Polo/Lauren Co, LP, The v Shop In Department Store Pte Ltd [2005] 4 SLR(R) 816; [2005] 4 SLR 816 (refd)
Polo/Lauren Co, LP, The v Shop In Department Store Pte Ltd [2006] 2 SLR(R) 690; [2006] 2 SLR 690 (refd)
Reed Executive Plc v Reed Business Information Ltd [2004] RPC 40 (refd)
Richemont International SA v Goldlion Enterprise (Singapore) Pte Ltd [2006] 1 SLR(R) 401; [2006] 1 SLR 401 (refd)

Sabel BV v Puma AG, Rudolf Dassler Sport [1998] RPC 199 (refd)
Spalding (AG) & Bros v A W Gramage Ltd (1915) 32 RPC 273 (refd)
Super Coffeemix Manufacturing Ltd v Unico Trading Pte Ltd [2000] 2 SLR(R) 214; [2000] 3 SLR 145 (refd)
Tie Rack Plc v Tie Rack Stores (Pty) Ltd (1989) (4) SA 427 (refd)
Tong Guan Food Products Pte Ltd v Hoe Huat Hng Foodstuff Pte Ltd [1991] 1 SLR(R) 903; [1991] SLR 133 (refd)
York Pacific Holdings Ltd v U-Re Auto Sdn Bhd [1998] 5 MLJ 84 (refd)

Legislation referred to

Trade Marks Act (Cap 332, 1999 Rev Ed) ss 8(2), 8(3), 27(3) (consd);
ss 7(1)(b), 7(6), 8(2)(b), 8(3)(a), 8(3)(b), 8(3)(i), 8(3)(ii), 8(3)(iii), 8(3)(iv),
8(4)(a), 55(1)
Trade Marks Act (Cap 332, 2005 Rev Ed) ss 4(2), 8(4), 28(2), 55 (consd);
ss 2(1), 8(4)(b)(i), 8(4)(b)(ii)(A), 55(3), 55(3)(a), 55(4), 55(5)
Trade Marks Act 1993 (South Africa) s 35
Trade Marks Act 1994 (c 26) (UK) s 56
Trade Marks Act 1995 (Cth) s 120(3)

Lai Tze Chang Stanley, Vignesh Vaerhn and Lim Ming Hui Eunice (Allen & Gledhill LLP) for the appellant;
Alban Kang, Goh Yoke Hong Karol and Ang Kai Hsiang (ATMD Bird & Bird LLP) for the respondent.

[Editorial note: The decision from which this appeal arose is reported at [2008] 4 SLR(R) 427.]

5 August 2009

Chao Hick Tin JA (delivering the grounds of decision of the court):

Background

1 This was an appeal by the appellant against the decision of the High Court rejecting its opposition to the respondent's application for the registration of the respondent's mark MOBIS ("MOBIS" or "opposed mark" as may be appropriate). At the conclusion of the hearing, we dismissed the appeal and these are our grounds.

2 The appellant is an indirect subsidiary of two American oil giants, Exxon Mobil Corporation and Mobil Corporation. The appellant and other Exxon Mobil companies are the registered proprietors of the trade mark MOBIL and other MOBIL derivative trade marks, in Singapore as well as in many other countries worldwide. The appellant and its related companies are largely engaged in the oil and oil lubricant business. In all, the appellant has 26 registered trade marks, and the majority of these trade marks are in

respect of Class 4 of the Nice Classification (*ie*, the International Classification of Goods and Services under the Nice Agreement).

3 The respondent, on the other hand, was first established in 1977 under the style of “Hyundai Precision & Ind. Co”. Later in November 2000, it adopted the name “Hyundai Mobis”. The respondent’s business is in the design and manufacture of automotive parts which can be used for various brands of automobiles.

4 The appellant opposed the registration of the MOBIS mark on the ground that it was similar to its registered trade mark MOBIL and could, *inter alia*, give rise to confusion. We should add that as the application for registration was made on 17 April 2002, the applicable law is the Trade Marks Act (Cap 332, 1999 Rev Ed) (“TMA 1999”). Subsequently, in 2004, further amendments were made to the TMA.

5 The respondent’s application to register the MOBIS mark was in respect of Class 12. In its application for registration of the mark, the letter “O” in the mark, like the same letter in the MOBIL mark, is denoted in red but with a slightly different design. For ease of comparison, the appellant’s trade mark and the opposed mark are here set out:

Mobil’s mark

The Mobil logo consists of the word "Mobil" in a bold, sans-serif font. The letter "O" is red and has a white horizontal bar through its center.

Opposed mark

The MOBIS logo consists of the word "MOBIS" in a bold, sans-serif font. The letter "O" is red and has a white horizontal bar through its center.

6 In explaining why it adopted the name “Hyundai Mobis”, the respondent claimed that the name was derived by combining the two words “Mobile” and “System”. In evidence declared by Myung-Ki (“Ki”), its manager in charge of intellectual property rights, the respondent stated that the word “Mobile” referred to “automobiles” while the word “System” referred to the “harmonisation of the complication mechanical apparatus”. Combining the two words together and creating the word “Mobis” it intended MOBIS to mean “an enterprise specialising in the manufacture of automobile components and system”. The respondent had been using the opposed mark in Korea since November 2000. We should add that the appellant does not have any MOBIL mark registered under class 12.

7 The appellant first took objection to the opposed mark before the Principal Assistant Registrar (PAR) of the Registry of Trade Marks, relying on various grounds of opposition under ss 8(2)(b), 8(3), 8(4)(a), 7(6) and 7(1)(b) of the TMA 1999. Being unsuccessful, it appealed to the High Court and proceeded only under ss 8(2)(b), 8(3), 8(4)(a) and 7(6). The High Court upheld the decision of the PAR, but for slightly different reasons. Before this Court, the appellant is relying only on s 8(3) of the TMA 1999.

Decisions below

PAR's judgment

8 The PAR found that the appellant's MOBIL mark was well known and this finding was not disputed by either party in the present appeal. However, notwithstanding that he found that the opposed mark was similar to the word mark MOBIL of the appellant, in the sense that they were aurally and visually similar, the PAR came to the conclusion that conceptually they were not similar and that the average consumer would not think that there was any connection between the goods of the respondent and the appellant for the following reasons (see *Hyundai Mobis v Mobil Petroleum Company, Inc* [2007] SGIPOS 12 at [88]):

I am of the view that if the Applicants use their Mobis mark with a red O in Singapore on vehicle parts it is unlikely that a substantial number of average Singaporeans would make a connection between the vehicle parts and the Opponents. *This is mainly because, when choosing a vehicle part, a consumer must choose a part according to its compatibility with the vehicle and therefore it requires consideration. And because it requires consideration, I think that the average Singaporean consumer will not make the connection.* The consumer may be reminded of the well known mark Mobil but I do not think that the well known mark being recalled in the mind of the consumer is sufficient to establish a connection between the vehicle part and the Opponents. I think that to show a connection the consumer must think that the mark Mobis is a new line of products sold by the owners of the mark Mobil, which has hitherto been selling fuels and lubricants. And I do not think that the consumer will make that connection. [emphasis added]

9 Following from this finding that the average consumer would not link the products under the MOBIS mark with the appellant, the PAR held at [90] that it was "even more unlikely that the use of MOBIS on vehicle parts would cause confusion". The PAR again relied on the fact that vehicle parts require compatibility and cannot therefore be purchased "off the cuff" without due consideration. As a result, by the time consumers purchased the parts, there would be no confusion because they would have realised that the vehicle parts were not made by Mobil:

If there is no likelihood that the use of Mobis on vehicle parts would indicate a connection with the Opponents, then it is even more unlikely that the use of Mobis on vehicle parts would cause confusion. Again I took into account that the Applicants use Mobis with a red O and that the Opponents use Mobil with a red O. *However for confusion to result the consumer must actually make the purchasing decision thinking that it is a Mobil product. By the time a consumer actually decides to buy a Mobis vehicle part, I think that he would have realised that the vehicle part is made by the Applicants and not the Opponents. This is because vehicle parts cannot be bought off the cuff as I have described earlier in my consideration of confusion under section 8(2) and in my consideration of connection under section 8(3).* [emphasis added]

10 As the respondent had not used the mark MOBIS in Singapore, the PAR felt that it was not possible for the appellant to show that its interests were likely to be damaged under s 8(3)(iv). In any case, since the PAR held that there was no “connection” or “confusion” shown, she was of the view (at [93] of the Grounds of the PAR) that there was no need to even consider whether, under s 8(3)(iv), damage to the appellant’s interests was likely to arise.

High Court’s judgment

11 On appeal, the matter came before the trial judge (“the Judge”). The Judge, in a reserved judgment, dismissed the appeal by the appellant (see *Mobil Petroleum Co, Inc v Hyundai Mobis* [2008] 4 SLR(R) 427). He agreed with the PAR that conceptually the MOBIL mark and the opposed mark were not similar and that there was no indication of a connection between the goods bearing the MOBIS mark and the appellant. The Judge held that although the term “connection” should be construed widely, it must still be applied in the context of the two marks, MOBIL and MOBIS, taking into account any visual and aural similarities between them. The Judge said at [31]–[32] of his judgment:

Mobil submitted that the term ‘connection’ had to be construed widely, to include any form of commercial or trade connection between its goods and those of Hyundai Mobis. This would include any form of commercial connection, including being associated with the owner of the MOBIL mark. Mobil pointed out that, historically, certain types of automobile parts and accessories have been concurrently sold at service stations. In addition, automobile parts and automobile lubricants were complementary goods and often sold together in connection with automobile servicing and maintenance (whether performed at a service station or other automobile service centre) ...

I am unable to agree with these submissions of Mobil. Although the term ‘connection’ has to be construed widely, it has to be done in the context of the MOBIL mark and the Opposed Mark, taking into account their visual and aural similarities. I should add that it is also necessary to take into account their dissimilarities or, expressed in another manner, the extent to which they are similar. Thus, if the two marks are visually very close, then the likelihood of a connection and confusion would be higher. In the present case, although there is similarity, the degree of resemblance is limited to some extent by the differences in font, capitalisation and colours ... In the context of the nature of the goods of Mobil and Hyundai Mobis, I do not find that the use of the Opposed Mark by Hyundai Mobis would indicate a connection with Mobil.

[emphasis added]

12 Moreover, the Judge was also of the view that there was no likelihood of confusion on the part of the public, even if the mark MOBIS was used in connection with the goods and services it was registered for. He felt that it was not likely that a substantial number of the public would be confused by the use of the mark MOBIS with MOBIL (at [33]):

... But even if a connection is indicated, Mobil must then show that, arising from the connection, there exists a likelihood of confusion on the part of the public. This is where the PAR's consideration, as to whether the average Singaporean would be confused, becomes relevant. *It cannot be within the contemplation of the Act that sub-para (iii) would be satisfied if only a single member of the public would be confused by the use of both marks. In my opinion, in view of the words 'likelihood' and 'public', the test ought to be whether there is a substantial number of the relevant public (ie, people who are in the market for such goods) would be confused. By 'substantial number' I do not mean a majority, but a not insubstantial number. Applying that test, I find that even if there were a connection indicated, there does not exist a likelihood of confusion on the part of the public in view of the different nature of the goods and the nature of the two trade marks.* [emphasis added]

13 However, we should add that the Judge disagreed with the view of the PAR that it would not be possible for the appellant to show that its interests were likely to be damaged by the use of the MOBIS mark just because the latter mark had not yet been use in Singapore. He pointed out that the whole rationale of allowing the owner of an existing mark to oppose the registration of a new mark envisaged that the new mark may not as yet be in use. He felt that whether there would likely be damage caused would depend on how closely the later mark resembled the earlier mark. The Judge (at [34]) then went on to opine (albeit *obiter*) that, in the present case, had the elements of “connection” and “confusion” been made out, “there [was] enough evidence in the affidavits filed to support a finding that the interests of Mobil [were] likely to be damaged by the use of the Opposed Mark”.

Present appeal

14 Three issues were raised by the appellant in the appeal. The first two issues related to s 8(3) of the TMA 1999, while the last issue was a new argument which was never canvassed before the PAR or the Judge:

(a) Whether the use of the MOBIS mark in respect of the class of goods to which application was made would clearly indicate a “connection” between those goods and the appellant, and whether it would give rise to a likelihood of confusion and a likelihood of damage to the interests of the appellant within the meaning of s 8(3) of the TMA 1999? (“The First Issue”)

(b) Relying on the Judge's opinion (*obiter*) that, although the requirements of “connection” and “confusion” had not been proved, there was evidence, from the affidavits filed by the appellant to indicate a likelihood of damage to the appellant's interests, whether that would be a sufficient basis to refuse registration of the mark under s 8(3) of the TMA 1999; (“The Second Issue”) and

(c) Whether the appellant may rely on ss 4(2), 28(2) and 55 of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“TMA 2005”) to oppose the mark? (“The Third Issue”)

The first issue

Section 8(3) of the TMA

15 In considering the first issue, it is necessary that we set out what is provided in s 8(3) of the TMA 1999. It reads:

A trade mark which –

- (a) is identical with or similar to an earlier trade mark; and
- (b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if –

- (i) the earlier trade mark is well known in Singapore;
- (ii) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered would indicate a connection between those goods or services and the proprietor of the earlier trade mark;
- (iii) there exists a likelihood of confusion on the part of the public because of such use; and
- (iv) the interests of the proprietor of the earlier trade mark are likely to be damaged by such use.

16 Section 8(3) was enacted to give effect to Article 16(3) of the Agreement on Trade-Related Aspects of Intellectual Property Rights (“the TRIPS Agreement”) which in turn had its genesis in Article 6*bis* of the Paris Convention. Section 8(3) was amended in 2004 (by Act No 20 of 2004 (“the 2004 amendment Act”), the effect of which is that the section would only apply to opposed marks that were applied for registration before July 2004. This was because s 8(4) was inserted by the 2004 amendment Act to introduce anti-dilution rights as an enhanced form of protection of well known marks, thereby giving effect to the Joint Recommendation Concerning Provisions on the Protection of Well Known Marks which was adopted by the Assembly of the Paris Union for the Protection of Industrial Property and the General Assembly of the World Intellectual Property Organization in September 1999 (“*Joint Recommendation*”). The 2004 amendment Act came about because Singapore was obliged under the US – Singapore Free Trade Agreement to adopt the standards for well known mark protection set out in the *Joint Recommendation*. The TMA 1999, as amended by the 2004 amendment Act, was subsequently reissued as the TMA 2005.

17 To bring a case within s 8(3), the essential prerequisites which must be satisfied are that the opposed mark MOBIS may reasonably be regarded

as similar to the trade mark of the appellant and the goods to which the opposed mark is to be used and the goods to which the MOBIL mark has applied to are dissimilar. With regard to the question of the similarity of the two marks, it would be necessary to proceed with a “mark for mark” assessment to determine the degree of visual, aural or conceptual similarity between the two (see *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 at [55]). On this issue, as indicated earlier, the PAR had found that the trade mark MOBIL and the MOBIS mark were similar. As for the question whether the goods to which the two marks were to be applied were dissimilar, the PAR found that the goods were dissimilar. Therefore, both s 8(3)(a) and s 8(3)(b) are satisfied. The appellant and the respondent did not challenge these two findings.

18 Having met these two requirements, the opponent must then show that the circumstances also satisfy the further requirements prescribed under ss 8(3)(i) to 8(3)(iv). It was not disputed before this Court, nor in the hearing below, that the MOBIL mark is a well known trade mark. Thus the PAR found that s 8(3)(i) was satisfied and there was no reason for us to disturb this finding. Indeed, the extent of the repute which is enjoyed by MOBIL among motorists in general is clear beyond doubt. The MOBIL mark has been in use in Singapore for a considerable period of time. Since 1930s, there have been Mobiloil and Mobilgas petrol pumps in Singapore, and the sales of fuel products under the MOBIL mark from 1999 to 2003 has been consistently well over a hundred million dollars annually. Further, the MOBIL mark is listed within the 100 Top Brands in the Business Week magazine and therefore has significant brand value.

Interaction between the law of passing off and well known mark protection under the TMA

19 Before we turn to consider each of the other three requirements, it is necessary to address the interaction between the common law principles of passing off and the protection of well known trade marks under the TMA. Both the appellant and the respondent have cited the decision of Justice Tay Yong Kwang (“Tay J”) in *Amanresorts Limited v Novelty Pte Ltd* [2008] 2 SLR(R) 32 (“*Amanresorts*”). The respondent had essentially argued that the standards required under the law of passing off should apply correspondingly to s 8(3) of the TMA while the appellant took the position that for an opponent under s 8(3), the latter should not be required to meet the same exacting standard as was needed to prove a case under passing off. We should at this juncture add that the judgment of Tay J was recently upheld by this Court in *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 (“*Amanresorts Appeal*”).

20 In *Amanresorts*, Tay J appeared to equate the requirements of “connection” and “is likely to damage the interests of the proprietor” prescribed under s 55(3)(a) (which terms are also found in s 8(3)) of the

TMA 2005 with the elements of misrepresentation and damage constituting the tort of passing off. Tay J at [74] of *Amanresorts* held that s 55(3)(a) was satisfied because the requirements of misrepresentation and damage were fulfilled under passing off:

In my view, the tests to be adopted for ‘connection’ and ‘is likely to damage the interests of the proprietor’ in s 55(3)(a) of the Trade Marks Act are no different from those enunciated in case law on passing off. I have already indicated my findings in respect of the ‘connection’ (see [59]–[60] above) and the likely damage to the plaintiffs’ interests (see [63]–[66] above). ...

21 Tay J’s interpretation of s 55(3)(a) would appear to suggest that, notwithstanding that the provision does not so expressly state, the requirement of “connection” under that provision had an implicit element of confusion because confusion is very much an ingredient of misrepresentation under the law of passing off. This view of Tay J was upheld by this Court in *Amanresorts Appeal* when it stated at [233]:

... In our view, the widespread availability of protection to trade marks which are ‘well known in Singapore’ should be balanced by interpreting s 55(3)(a) of the current TMA as requiring a likelihood of confusion to be shown before an injunction to restrain the use of the defendant’s trade mark on (*inter alia*) goods or services dissimilar to those of the plaintiff can be obtained. ...

22 Although this Court had upheld Tay J’s decision in *Amanresorts* on this point in relation to the term “connection” in s 55(3)(a) of the TMA 2005, it does not follow that his other views on s 55(3)(a) should apply in their entirety without qualification to s 8(3) of the TMA 1999. While we recognise that certain expressions found in s 55(3)(a) of the TMA 2005 are common with those in s 8(3) of the TMA 1999, it must be borne in mind that the law of passing off is, in some respects, different from the statutory protection of well known trade marks which s 8(3) of the TMA 1999 seeks to provide.

(i) *Differences between the law of passing off and well known mark protection*

23 Under the law of passing off, it is vital that goodwill in the trade mark must be shown before a plaintiff can succeed in the claim whereas under the statutory scheme of protecting well known marks, it is not necessary for the proprietor of a well known mark to show that the mark enjoys goodwill in Singapore. Section 2(1) of the TMA 2005, which is a definition provision, makes this abundantly clear as it expressly dispenses with the need for a well known mark to have any business or goodwill in Singapore:

‘well known trade mark’ means —

- (a) any registered trade mark that is well known in Singapore; or
- (b) any unregistered trade mark that is well known in Singapore and that belongs to a person who —

- (i) is a national of a Convention country; or
- (ii) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,
whether or not that person carries on business, or has any goodwill, in Singapore[.]

[emphasis added]

24 We should add that this definition of s 2(1) was only enacted in 2004 by the 2004 amendment Act. The Appellant had in this regard argued that s 8(3) should be interpreted in accordance with the provisions of the TMA as at the date of the application for registration of the opposed mark, namely, 17 April 2002. While the Appellant was certainly correct to contend that the law should be interpreted as it stood in 2002 without the benefits of the definition provisions introduced by the 2004 amendment Act, we pause to note that s 55(1) of the TMA in 1999 had already dispensed with the need for well known marks to demonstrate the presence of goodwill in Singapore:

References in this section to a trade mark which is entitled to protection under the Paris Convention or the TRIPS Agreement as a well-known trade mark are to a mark which is well-known in Singapore as being the mark of a person who —

- (a) is a national of a Convention country; or
- (b) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,

whether or not that person carries on business, or has any goodwill, in Singapore, and references to the proprietor of such a mark shall be construed accordingly.

25 In this regard, it is pertinent to refer to Article 2(1) of the *Joint Recommendation*, which specifies the relevant factors which may be taken into consideration in determining whether a trade mark is well known while Article 2(3) identifies the factors which are irrelevant to that determination. Here, we would highlight the fact that Article 2(3)(i) specifically dispenses with the need to show that a trade mark has been *used* in a jurisdiction before it may become well known:

(3) [*Factors Which Shall Not Be Required*] (a) A Member State shall not require, as a condition for determining whether a mark is a well-known mark:

- (i) that the mark has been used in, or that the mark has been registered or that an application for registration of the mark has been filed in or in respect of, the Member State;

26 If a well known mark does not even need to be *used* in a jurisdiction, it must obviously mean that there is also no need for business or goodwill within that particular jurisdiction to be shown. Therefore, caution must be exercised in applying the test proposed by Tay J in *Amanresorts* as it is

necessary to bear in mind that the ingredients of misrepresentation and damage which are essential for the tort of passing off are with reference to goodwill and the establishment of goodwill is not a prerequisite in order for a well known mark to obtain protection under the TMA. Of course, we should hasten to add that in the present case, the appellant had shown that it has goodwill in the MOBIL marks in Singapore.

27 Having said that, we must not be taken to suggest that in interpreting s 8(3), guidance could not be derived from the law of passing off. This is because while the two regimes may be different in some respects, they also share much in common.

(ii) *Similarities between law of passing off and well known mark Protection*

28 In *Amanresorts Appeal*, this Court agreed with Tay J that the “the tests to be adopted for “connection” and “is likely to damage the interests of the proprietor” under s 55(3)(a) would *yield the same results* as the tests for “misrepresentation” and “damage” under the tort of passing off and that, subject to one aspect, both sets of tests would be substantially the same. This Court stated at [234] as follows:

In the instant case, we agree with the Judge’s finding (at [74] of the Judgment) that the tests to be adopted for the purposes of the ‘connection’ requirement and the ‘likely to damage the [plaintiff’s] interests’ requirement in s 55(3)(a) of the current TMA would yield the same results as those obtained from applying the corresponding tests *vis-à-vis* the Respondents’ claim for passing off (which tests are, respectively, whether the Appellant has made a misrepresentation to the relevant sector of the public (*ie*, the persons delineated at [66] above) which causes that section of the public to mistakenly think that the Project has the same source as or is connected with the Respondents’ resorts, and whether such misrepresentation has resulted in or is likely to result in damage to the goodwill attached to the ‘Aman’ names). We thus uphold the Judge’s decision that the claim under s 55(3)(a) of the current TMA has been made out. However, we pause to clarify that *while the tests relating to misrepresentation and damage under the law of passing off are substantively the same as the tests relating to, respectively, the ‘connection’ requirement and the ‘likely to damage the [plaintiff’s] interests’ requirement in s 55(3)(a) of the current TMA*, the two sets of tests are not identical in one aspect. *An important distinction is that the tests relating to misrepresentation and damage in passing off actions concern the plaintiff’s goodwill (see [69] above), whereas the corresponding tests under s 55(3)(a) of the current TMA concern the interests of the plaintiff and not its goodwill (indeed, as the definition of ‘well known trade mark’ in s 2(1) of the current TMA makes clear, the plaintiff’s trade mark may be a ‘well known trade mark’ for the purposes of s 55(3)(a) even if the plaintiff has no goodwill in Singapore).* [emphasis added]

29 Indeed, it is clear that the provisions in the TMA on the protection of well known marks were intended to supplement the protection available under existing common law. As noted by Associate Professor Ho Peng Kee, Minister of State for Law, in *Singapore Parliamentary dDebates, Official*

Reports (26 November 1998) vol 69 at col 1698, on the enactment of the TMA, well known trade marks were then only being protected by the law of passing off:

This Bill is another product of the Committee's review. It will replace the existing Trade Marks Act. Besides amending the law to comply with the TRIPS Agreement, the Bill also modernises and simplifies our trade mark law in line with international trends ... As regards well known trade marks, the Bill allows the proprietor of an earlier trade mark which is entitled to protection under the Paris Convention or the TRIPS Agreement as a well known trade mark to oppose the registration of an identical or similar trade mark ... Currently, well known trade marks are protected under the common law tort of passing off.

30 At this juncture, we would refer to the South African decision of *McDonald's Corporation v Joburgers Drive-In Restaurant (Pty) Ltd* (1996) 36 IPR 11 which concerned s 35 of the South African Trade Marks Act 1993 (which is *in pari materia* with s 55 of our TMA and s 56 of the UK Trade Marks Act 1994 (c 26)) where Grosskopf JA said at 19 that "the protection granted to foreign marks by the law of passing off was limited, however, by the requirement that a plaintiff had to establish a goodwill in the country". He then reviewed the case law of England and South Africa to show the inadequacy of the law of passing off in as far as protecting well known foreign marks was concerned. Grosskopf JA at 22 cited with approval the following passage of Kreigler J in the South African case of *Tie Rack Plc v Tie Rack Stores (Pty) Ltd* (1989) (4) SA 427 at 445C–D :

For present purposes it is not necessary to determine whether these cases were correctly decided either in the United Kingdom or in South Africa. In Australia, for instance, the Federal Court went the other way: see *ConAgra Inc v McCain Foods (Aust) Pty Ltd* (1992) 23 IPR 193. However, whether the above cases were right or wrong, they demonstrate that the courts in this country and the United Kingdom have in fact not protected the owners of foreign trade marks who did not have a goodwill within the country. To that extent, the common law of passing off has not been sufficient to constitute compliance with art 6bis of the Paris Convention.

And he went on to state

It seems clear that s 35 of the new Act and the corresponding provision in the United Kingdom were intended to remedy this lack. Thus s 35(1) pertinently extends protection to the owner of a foreign mark 'whether or not such person carries on business, or has any goodwill, in the Republic'. And the type of protection which is granted by subs (3) is typical of that which is available under the common law of passing off: a prohibition on the use of the mark in relation to goods or services in respect of which the mark is well known and where the use is likely to cause deception or confusion.

31 These views of Grosskopf JA, expressed at the Appellate Division of the Supreme Court of South Africa and to which the other four members of

the quorum concurred, are just as germane to the well known marks regime in Singapore.

32 In this regard, we should note that the English courts had adopted Grosskopf JA's position in the first instance decision of *Philips Electronics NV v Remington Consumer Products* [1998] RPC 283. Jacob J, stated at 315 that he agreed with Grosskopf JA's view that s 56 of the UK Trade Marks Act 1994 "puts the plaintiff who has a reputation but no business here in the same position as if he had a business here". Commenting on Jacob J's decision, David Bainbridge in *Intellectual Property* (Pearson Longman, 6th Ed, 2008) at p 697, concluded that s 56 of the UK Trade Marks Act essentially cured a defect in the law of passing off:

In *Philips Electronic NV v Remington Consumer Products*, at first instance, Jacob J confirmed that s 56(2) puts a claimant who has a reputation but no business, and, hence, no goodwill in a passing off sense, in the UK in the same position as if he did have a business and goodwill in the UK. The claimant was domiciled in the Netherlands (a Convention country) but was not able to rely on s 56(2) as there was no deceptive use. Jacob J confirmed that the provision did not extend to non-deceptive use. Section 56 is headed 'Protection of well-known trade marks: Article 6bis' and implements Article 6bis of the Paris Convention, a provision which dates from 1927. Jacob J also made the point that the claimant's shape mark was not covered by this provision as he did not consider a shape mark to be a trade mark for the purposes of the Paris Convention and that it was impossible to envisage that, in 1927, anyone would have thought that the provision would cover 'engineering artefacts of this sort'. Furthermore, although certain shape marks are registrable in the European Community, they are not registrable in a great many other countries belonging to the Paris Convention. With this limitation in mind, what s 56 does is to cure the defect in the law of passing off that requires the claimant to demonstrate that he has goodwill within jurisdiction.

33 If the TMA was intended to be supplementary to the law of passing off, as we think it was, we would imagine that there should therefore be a certain level of commensurability between the standards adopted for both the common law and statutory regimes subject only to such express qualification(s) which the statute may prescribe. Therefore, as remarked earlier, while it is not entirely accurate to suggest that the tests for passing off are wholly applicable to well known marks protection under the TMA, as only in relation to the former is goodwill required to be shown, this does not necessarily mean that the threshold needed to establish the ingredients otherwise required for obtaining protection of well known mark should be any lower. The appellant in this case has essentially argued for a more liberal approach towards well known marks which we do not think is warranted. We ought not to lose sight of the fact that a trade mark law is aimed at preventing confusion and deception, *ie*, to ensure that consumers do not confuse the trade source of one product with another. This is so even in relation to the protection of well known mark where actual goodwill

need not be established as it must still be shown that the public will think that the goods bearing the new mark are somehow connected with the proprietor of the well known mark, and that thereby confusion will be caused to the mind of the public, issues to which we will turn to in a moment.

34 Before proceeding further, we wish to make it clear that this Court does not intend, nor do we think it prudent, to exhaustively determine the meaning and scope of ss 8(3)(ii), 8(3)(iii) and 8(3)(iv). Instead, we will resort to illustrations (often drawn from passing off), to show the circumstances which could come within the terms of those provisions. The door should be left open for future developments in this area.

“[I]ndicate a connection between those goods or services and the proprietor of the earlier trade mark”

35 The first point that arose for consideration was whether the term “connection” in s 8(3)(ii) should be read to also include the element of “confusion” as is the case with s 55(3)(a). Here we would point out that the difference between s 55(3)(a) and s 8(3) is that the element of confusion is expressly provided for in s 8(3)(iii). In commenting on s 8(3), Professor Ng-Loy Wee Loon in *The IP Chapter in the US-Singapore Free Trade Agreement* (2004) 16 SAclJ 42 at 52, opined that the Singapore statutory provisions essentially made explicit, what is implied (*ie*, the requirement of confusion) in Article 16(3) of the TRIPS Agreement:

20 This protection for well-known marks was introduced into the Singapore Trade Marks Act 1998 specifically for the purposes of complying with Art 16(3) of TRIPs ...

21 The Singapore model makes express what arguably is implied in Art 16(3), that is, the requirement for a likelihood of confusion. The premise for this argument is that a trade connection between the well-known mark proprietor and the offending goods/services which results in damage to the proprietor’s interest must be a confusing type of connection. ...

36 In the light of the fact that s 8(3)(iii) expressly refers to the element of confusion, one should, therefore, not read s 8(3)(ii) to also encapsulate the notion of confusion. Otherwise there would be duplicity between s 8(3)(ii) and s 8(3)(iii). Accordingly the “connection” under s 8(3)(ii) could not be the same as that under s 55(3)(a) of the TMA 2005. The latter as clarified by this Court in *Amanresorts Appeal*, includes an *implicit* requirement of confusion. In this case, since the requirement of confusion is made *explicit* under s 8(3)(iii), there is no need to read into the element of “connection” the notion of confusion.

37 In this regard, the appellant had suggested two possible standards to determine whether a “connection” under s 8(3)(ii) had been shown. Firstly, it should suffice if due to the similarity between the two marks, a sort of association between Mobil and MOBIS was suggested; and secondly, if the

similarity should indicate an expectation that Mobil would expand into the field for which the MOBIS mark was to be registered.

38 We were unable to accept these suggested standards as they were too general and broad. Before explaining our reasons, we would first set out what we understand as sufficient to constitute a “connection” under s 8(3).

Joint Recommendation

39 Article 4(1)(b)(i) of the *Joint Recommendation* is *in pari materia* with Article 16(3) of TRIPS and is therefore relevant in clarifying the scope of s 8(3) of the TMA 1999. The explanatory note to Article 4(1)(b)(i) states:

Item (i). Under this item, a connection between a well-known mark and a third party's goods or services may be indicated, for example, if the impression is created that the owner of the well-known mark is involved in the production of those goods, or the offering of those services, or that such production or offering was licensed or sponsored by him. The interests of the owner of the well-known mark could be damaged if the goods and/or services with which the connection is established have a down-market image, thereby reflecting negatively on the goodwill of the well-known mark.

40 The illustrations given in the above explanatory note as to what would indicate a connection clearly suggest that the connection must be in the business sense. If what was indicated was a mere association between Mobil and MOBIS that would not *per se* create the impression that the owner of the MOBIL mark was involved in the production of automobile parts manufactured by Hyundai Mobis or that the production of such parts was sponsored by the appellant. However, we recognise that the explanatory note merely sets out possible types of “connection” and it certainly does not seek to provide an exhaustive definition. In other words, the situations identified in the explanatory note are just *examples*. The choice of words used in the explanatory note – “a connection ... *may be indicated*” [emphasis added] – is demonstrative that such is the intention.

41 Even so, we do not think that indication of a mere association or that it would cause an ordinary individual on seeing the mark MOBIS to recall the mark MOBIL would suffice to constitute a “connection” for the purposes of s 8(3) as this would be casting the net too widely. The result would be indeterminacy. Setting the test at such a low threshold would result in according too broad a protection to the proprietors of well known marks who could oppose the registration of a later mark merely on the basis of what the later mark might evoke in the subconscious mind of the consumers even though such thoughts may not establish a connection in the trade sense which is what trade mark law is all about. We must always bear in mind the *raison d'être* of the protection accorded under the trade mark law, *ie*, preventing confusion in the course of trade. In this regard, we share the approach adopted by the PAR in *Pensonic Corporation Sdn Bhd v*

Matsushita Electric Industrial Co Ltd [2008] SGIPOS 9 (“*Pensonic Corporation*”) at [103]:

I am of the view that if the Applicants’ mark is used in Singapore, it is likely that when a consumer sees their Pensonic product, he would think that these products are somehow connected or related to the owner of the Panasonic mark. *I do not think that the consumer would just be reminded of the Opponents mark which is insufficient to establish a connection.* [emphasis added]

Connections stronger than or similar to examples suggested

42 Although a mere association is insufficient, it would seem that any form of *connection* which may potentially be stronger than or similar to those suggested in the explanatory note should be a sufficient “connection” under s 8(3). Australian academic opinion on s 120(3) of the Australian Trade Mark Act 1995 (No 119 of 1995) (“the Australian TMA”) supports this view. Section 120(3) of the Australian TMA deals with infringement and essentially adopts the whole of Article 4(1)(b)(i) of the *Joint Recommendation*.

43 For ease of comparison and appreciation, we set out below s 120(3) of Australian TMA which reads:

A person infringes a registered trade mark if:

- (a) the trade mark is well known in Australia; and
- (b) the person uses as a trade mark a sign that is substantially identical with, or deceptively similar to, the trade mark in relation to:
 - (i) goods (unrelated goods) that are not of the same description as that of the goods in respect of which the trade mark is registered (registered goods) or are not closely related to services in respect of which the trade mark is registered (registered services); or
 - (ii) services (unrelated services) that are not of the same description as that of the registered services or are not closely related to registered goods; and
- (c) because the trade mark is well known, *the sign would be likely to be taken as indicating a connection between the unrelated goods or services and the registered owner of the trade mark*; and
- (d) for that reason, the interests of the registered owner are likely to be adversely affected.

[emphasis added]

44 Although the formulations of s 120(3) of the Australian TMA and s 8(3) of our TMA are not identical, both provisions require that a connection be shown. Here we note the observations of the author of *Shanahan’s Australian Law of Trade Marks & Passing Off* (LawBook Co, 4th Ed, 2008) (“*Shanahan’s*”) at para 85.795 that there can be more than one type of connection possible, and they could be of varying degrees:

The requirement that the defendant's use indicate a connection between the defendant's goods or services and the trade mark owner reflects Art 16(3) of the TRIPS Agreement. Although not explicit in s 120(3)(c), it is presumably the customers within the defendant's market to whom the likely connection must be indicated. Accordingly, if the extent to which the plaintiff's mark is well known is considered only in the context of the plaintiff's market, and if there is any great disparity between the characteristics of the markets for the respective goods of the plaintiff and defendant, it appears unlikely that the requirements of s 120(3)(c) will often be met. The difficulty may not be as great in the case of marks which are so well known as to be household words and in many cases, of course, there will be some overlap between the markets of the plaintiff and the defendant. *The strongest connection with the trade mark owner that could be indicated is one of origin, but there is nothing in s 120(3) to suggest that this is necessarily the only connection which would result in infringement.* [emphasis added]

45 Thus, while the explanatory note of the *Joint Recommendation* has been labelled as suggesting a *business connection*, it is clearly wide enough to also encompass connection to the trade mark owner as to *origin* as suggested by *Shanahan's* and we feel, as to *quality* as well. The examples given of an indication that the owner of the well known mark was involved in the production of the goods to which the later mark was affixed or that the products was licensed or sponsored by the proprietor are really connections closely indicating origin and/or quality.

46 Under the law of passing off, a misrepresentation can be with respect to a *business connection*, or more specifically to the *origin* or *quality* of the goods and services in question. A representation is often not express, and is therefore implied by conduct, *eg*, from the use of an identical or similar mark. Lord Parker noted in *Spalding (AG) & Bros v A W Gramage Ltd* (1915) 32 RPC 273 at 284:

[T]he basis of a passing off action being a false representation by the defendant, it must be proved in each case as a fact that the false representation was made. It may, of course, have been made in express words, but cases of express misrepresentation of this sort are rare. The more common case is, where *the representation is implied in the use or imitation of a mark*, trade name, or get-up with which the goods of another are associated in the minds of the public ... [emphasis added]

47 Similarly, for the purposes of s 8(3)(ii) we do not foresee that an indication of a connection is likely to be as a result of an express statement. The prospective use of the opposed mark is invariably the representation. To this extent there is similarity between the law of passing off and the regime for the protection of well known mark under s 8(3). However, as pointed out earlier, for the purposes of passing off, the misrepresentation requires an additional element of confusion, which element, instead of being implied as a constituent part of a "connection" under s 8(3)(ii), is expressly provided for under s 8(3)(iii). Nothing should turn on the fact

that s 8(3)(iii) states expressly what would otherwise have been implied. Therefore, there is commonality between passing off and the protection of well known marks under s 8(3) as far as the elements of misrepresentation/confusion and connection/confusion are concerned.

48 A “connection” as to origin under s 8(3) occurs when the use of the opposed mark will indicate that the defendant’s goods and services are of the same source as the Plaintiff’s. In other words, the use of the opposed mark will result in a representation or indication that the defendant’s goods or services are those of the plaintiff’s. This principle is trite in the context of passing off, and was succinctly stated by Lord Halsbury LC in *Frank Reddaway and Frank Reddaway & Co, Limited v George Banham and George Banham & Co, Limited* [1896] AC 199 at 204 as follows:

The question of law is so constantly mixed up with the various questions of fact which arise on an inquiry of the character in which your Lordships have been engaged, that it is sometimes difficult when examining former decisions to disentangle what is decided as fact and what is laid down as a principle of law. For myself, *I believe the principle of law may be very plainly stated, and that is, that nobody has any right to represent his goods as the goods of somebody else.* [emphasis added]

49 When we speak of a “connection” as to source, it may also indicate a connection as to quality, in so far as goods and services from the same source are expected to be of the same quality. These are situations which are well established in passing off. In *J Bollinger v Costa Brava Wine Co Ltd (No 2)* [1961] 1 WLR 277 (“*Bollinger*”), the plaintiffs were champagne producers from France who sued the defendants for manufacturing and selling “*Spanish Champagne*”. Danckwerts J found that champagne in the UK meant wine produced in the Champagne region in France and granted an injunction on the grounds of passing off because there was evidence that “persons whose life or education has not taught them much about the nature and production of wine, but who from time to time want to purchase champagne, as the wine with the great reputation, are likely to be misled by the description Spanish Champagne” (*Bollinger* at 291).

50 The relationship between source and quality is further illustrated by the case of *Barnsley Brewery Co Ltd v RBNB* [1997] FSR 462 where Walker J noted that the traditional view of brewing (where source and quality of water was important), reflected the view of general beer drinkers who were conscious that beer from certain regions was particularly good, and said at 468:

The traditional view is that the source and quality of water is important for brewing ... The traditional view may be of some importance here, as reflecting the view of the general public, including the generality of beer drinkers.

As I have said, generalisations may be unreliable but a geographical name or mark for a beer or ale may in general indicate either (1) that it is brewed in a

particular place or (2) that it is of a particular type associated with that place and so likely to appeal to a particular taste, or (3) that it is the product of one particular brewery at that place. If it be said that the mere information that a beer was made at a particular place is of no interest to anyone, the answer to that may be that there is, as I have noted, a traditional view that certain centres are, because of their water supply and other reasons, likely to produce particularly good beer.

Connection as to business

51 While a business connection could in some cases closely indicate a “connection” as to origin or quality (see [45] above), it could in some other cases, also take shape in the form as illustrated in the passing off case of *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 (“*Millenia*”) – a decision of this Court. In *Millenia*, the plaintiff’s case in passing off was essentially that the defendant had misrepresented as to a business connection between the plaintiff’s and defendant’s chain of hotels. As aptly put by Professor Ng-Loy in *Law of Intellectual Property* (Sweet & Maxwell Asia, 2008) (“*ProfNg-Loy*”) at p 223, a business connection between the goods and services of two trade marks does not go strictly to the *source* of the plaintiff’s trade mark, but that the goods or services are associated and related in some other way:

Misrepresentation as to the trade source can take the form of a false representation that the defendant’s goods or service are those of the plaintiff, or that the two parties are connected in some way, *for example, the defendant’s business is an extension, branch, or other agency of the plaintiff’s*. The *Millenia* case provides an example of the latter type of misrepresentation. *The plaintiff’s complaint was not that the public would think that the Ritz-Carlton Millenia was one of the defendant’s hotels, say, King’s Millennium. After all, the defendant’s hotels were 4-star hotels whereas the plaintiff’s Ritz-Carlton Millenia was a super-deluxe hotel. The plaintiff’s case was that the public would think that Ritz Carlton Millenia belonged to the defendant’s chain of Millennium hotels, or that the Ritz Carlton Millenia was operated by the defendant’s Millennium chain or vice versa.* [emphasis added]

52 Another common example where a business connection could be indicated is where two unrelated entities, either because of their similarity in name or similarity of the trade marks they use, may be thought by the public to be related companies. As Christopher Wadlow in *The Law of Passing-Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 3rd Ed, 2005) perceptively remarks at para 7-13:

In modern conditions, the most plausible explanation for two companies trading under very similar names (and especially in related fields of business) may be that they are part of the same corporate group. In *Dawnay Day v Cantor Fitzgerald* the situation and the legal consequences were summarised thus by Scott V.C. in the Court of Appeal:

In the present case the misrepresentation is that the business conducted under the name ‘Dawnay Day Securities’ is being carried on

by a member of the Dawnay Day group of companies. A misrepresentation to that effect is, in my judgment, sufficient. I do not think it is necessary for the representation to suggest any particular degree of control that the group, or the holding company of the group, might have over the quality of services offered by Dawnay Day Securities. Different corporate groups exercise different degrees of control over their members. Some are closely controlled; some have almost complete autonomy. *The vice of the misrepresentation in a case such as the present is, in my judgment, that the proprietor of the defendant's business, a party unconnected with the Dawnay Day group, is being held out as a member of the group ...*

[emphasis added]

53 Other scenarios which could constitute a “connection” as to business include situations, as identified in the explanatory note to Article 4(1)(b)(i) of the *Joint Recommendation*, are where it may be inferred that there is a licensing or trading agreement under which the well known mark proprietor exercises some control over the goods and services of the opposed mark. Ultimately, a business connection suggests the presence of some business relationship between the owner of the earlier mark and the goods or services covered by the alleged offending mark. This was the approach taken by Goff LJ in *HP Bulmer Ltd and Showerings Ltd v J Bollinger SA and Champagne Lanson Pere et Fils* [1978] RPC 79 when he said at 117:

Not every kind of connection claimed will amount to passing off; for example if one says that one's goods are very suitable to be used in connection with the plaintiff's. On the other hand in my view there can be a passing off of goods without representing that they are actually the well-known goods which the plaintiff produces or a new line which he is supposed to have started. It is sufficient in my view if what is done represents the defendant's goods to be connected with the plaintiff's in such a way as would lead people to accept them on the faith of the plaintiff's reputation. *Thus for example it would be sufficient if they were taken to be made under licence, or under some trading arrangement which would give the plaintiff some control over them, and I think Harman, J. had such ideas in his mind as appears from the passage at page 93 of the Treasure Cot case when he spoke of 'something for which the plaintiff's were responsible'.* [emphasis added]

54 As noted by Professor Ng-Loy in the excerpt cited above at [51], a branch and agency are all examples of a business connection under passing off, and we are of the view that this is equally applicable to a “connection” under s 8(3). We would further add that a merger or amalgamation of companies is yet, another possible permutation of a “connection” under s 8(3). In *North Cheshire & Manchester Brewery Co v Manchester Brewery Co* [1899] AC 83, the respondents were the “Manchester Brewery Company” which operated in Manchester, where the “North Cheshire Brewery Company, Limited” also did some business. When the Appellants later chose the name “The North Cheshire and Manchester Brewery Company,

Limited”, it was held that the ordinary conclusion was such that both companies had merged. Halsbury LC at 85:

When I see that in the name of the appellant company there is literally and positively the same name as that of the rival company, as I will call it, and that it is only prevented from being identical in name by having another name associated with it, I should think myself that the inevitable result would be that which appears to have happened - *that any one who saw the two names together would arrive at the conclusion without any doubt at all that the two companies, both with well-known names, both in the particular neighbourhood with which we are dealing, had been amalgamated*. Indeed, there is a considerable body of evidence to shew that; every one who was called to give evidence on the subject, looking merely at the name, *came to the conclusion at once that they had amalgamated and that the old firm no longer continued to carry on business as the old firm, but was associated with the new one under the new name ...* I have not the smallest doubt that everybody who knew the two names at all would come to that conclusion. [emphasis added]

55 Those are some of the possible types of “connection” under s 8(3). The most apparent type of “connection” will no doubt be one as to origin, but a “connection” as to business is potentially broad, as it could reasonably capture any indication of a commercial relationship as discussed above.

56 At this juncture, we would address briefly the point made by the appellant that the standard needed to indicate a “connection” for the purposes of s 8(3) should be lower than the passing off standard because if the passing off standard were adopted, it would be ignoring the very rationale for granting rights to the proprietors of well known marks in Singapore under s 8(3). This submission is with respect, without basis. As we have stated before, under the previous trade mark legislation, well known marks were only protected under the common law tort of passing off: see the Second Reading speech of the Minister of State for Law in Parliament (*Singapore Parliamentary Debates, Official Reports* (26 November 1998) vol 69 at col 1698) and [29] above. The TMA was enacted in 1998 (but brought into force on 15 January 1999) to fulfil Singapore’s obligations under Article 6bis of the Paris Convention for the Protection of Industrial Property and the TRIPS Agreement and essentially to plug the gap in protection accorded to well known trade marks by the common law tort of passing off which required proof of goodwill and, in turn, the need to show that the proprietor of the well known mark has carried on business in Singapore with that mark. This aspect was addressed and put right by the TMA.

57 The law has granted a concession to the owner of a well known mark in the sense that he need not show that he has carried on business in Singapore and thus has goodwill in the mark here. This is to prevent local copy-cats of well known foreign marks which have yet to establish business here in Singapore. But we fail to see how it follows from this that the standard required to prove the other elements for the tort of passing off

should be applied to well known marks with less vigour. The appellant is in effect asking this Court to accord further concessions to the owner of a well known mark where none is prescribed in the TMA. The TMA is a law to regulate trade and the rationale for such a law should not be overlooked. We see no justification for according protection to the owner of a well known mark just because a later mark may cause the public to recall the earlier well known mark.

58 In this regard, the Court of European Justice case of *Sabel BV v Puma AG, Rudolf Dassler Sport* [1998] RPC 199 is highly illustrative. That case concerned Article 4(1)(b) of the European Directive which provides, *inter alia*, that a trade mark shall not be registered if it is similar to an earlier trade mark and the goods to which the marks are to be applied are similar and “there exists a likelihood of confusion on the part of the public, which includes the likelihood of association with the earlier trade mark”. The European Court of Justice (“ECJ”) viewed the concept of likelihood of association in this provision not an alternative to that of likelihood of confusion, but only served to define its scope. Taking from this perspective, the ECJ interpreted Directive 4(1)(b) to mean (at 224):

... that the mere association which the public might make between two trade marks as a result of their analogous semantic content is not in itself a sufficient ground for concluding that there is a likelihood of confusion within the meaning of that provision.

What this case seems to convey is that in interpreting a trade mark protection provision, one must have regard to the object behind such a provision and not to apply it literally.

Application

59 Reverting to the suggested connections proposed by the appellant, we do not think that a mere association can be sufficient for the purposes of s 8(3). A mere association or recollection would include *any* mental association which may be created between the well known mark and the opposed mark. This would be too broad a standard to accept. In this regard, the appellant also advocated a “commercial connection” (as noted by the Judge at [31] of his judgment) based on the following three factors: (a) the complementary nature of automobile parts produced by Hyundai Mobis and automobile lubricants produced by Mobil; (b) similar avenues of sale; and (c) display of goods and service in close proximity within such avenues of sale.

60 We do not think that these factors suggested a “connection” as to business. In our view, a business connection is more focused and specific. The three factors relied on by the appellant do not suggest a business relationship of the kind discussed above. These factors certainly do not suggest that there is a connection as to origin or quality. There is no source related connection because fundamentally, the marks while similar, are not

of that high degree of resemblance for *any* further inference to be drawn. This was the view of the Judge at [32] of his judgment with which we agree:

In the present case, although there is similarity, the degree of resemblance is limited to some extent by the differences in font, capitalisation and colours ... In the context of the nature of the goods of Mobil and Hyundai Mobis, I do not find that the use of the Opposed Mark by Hyundai Mobis would indicate a connection with Mobil. [emphasis added]

61 It is wholly speculative to even say that these factors could suggest a likelihood or expectation that the appellant might expand into the production and sales of automobile parts. This would be casting the ambit of s 8(3)(ii) too widely and would suppress fair competition between rival marks. An expectation is essentially a connection which has not materialised, and may or may not occur at all. A “connection” under s 8(3), whether as to business, origin or quality, is one which indicates an *existing* relationship between the goods and services of the opposed mark and the proprietor of the well known mark.

62 In any case, there was hardly any evidence that Mobil would venture or had plans to venture into the manufacturing and selling of automobile parts. Indeed, in assessing the requirement of a “likelihood of confusion” under s 8(3)(iii), the PAR noted at [91] of her judgment, that such evidence was lacking and discounted such a consideration:

I have taken into account the Opponents’ submission that the provision of a one-stop solution for motorists is something that the owners of well known marks like the Opponents may go into. *However for the past 40 years the Opponents have been selling fuels and lubricants to Singaporeans.* I noted that in their centennial booklet, in a photograph in page 4, their marks Mobiloil and Mobilgas appear on a shop front on one side, whereas on the other side of the shop front, the words Motor Spares are displayed. From their booklet I understand that in the 1930s, oil and gas were sold via pumps that did not have dedicated petrol stations. These pumps could be fixed to any shop and oils and gases could be sold from the pumps in any shop. However although the marks Mobiloil and Mobilgas appeared side by side with the words Motor Spares on the shop front in the 1930s, *there is no evidence that the Opponents have gone into selling vehicle parts or providing repair services as part of their petrol station services.* Therefore I did not take into account that the Opponents may go into providing a one-stop solution for motorists by providing vehicle repair services at their petrol stations. [emphasis added]

Finding confusion and proving connection

63 Before proceeding to consider the other elements necessary to establish a case under s 8(3), we would also like to clarify an observation made by the PAR in the case of *Personic Corporation* ([41] *supra*). The PAR in *Personic Corporation* was of the view that once confusion under s 8(2)(b) of the TMA is established, this must necessarily mean that the requirement

of “indicate a connection” is correspondingly fulfilled. The PAR said at [103]–[104]:

I am of the view that if the Applicants’ mark is used in Singapore, it is likely that when a consumer sees their Pensonic product, he would think that these products are somehow connected or related to the owner of the Panasonic mark. *I do not think that the consumer would just be reminded of the Opponents mark which is insufficient to establish a connection.*

I am also of the view that where confusion under section 8(2)b is made out, the requirement of ‘indicate a connection’ would also be made out. The purpose of a trade mark is to indicate a source, even if the identity of the source is not known by the consumer. *Confusion under section 8(2)b, is a confusion as to the source of the product, where the Pensonic product is perceived as originating from the same source as the Panasonic product. If confusion as to the source of the product is made out, then clearly a connection is made between the Pensonic product and the Panasonic product.* The reverse may not always be true but where there is confusion, I am of the view that there would be an indication of connection.

[emphasis added]

64 While we agree with the PAR that a mere reminder is insufficient to establish a “connection”, for the purposes of s 8(2), we would not agree if this statement is relied upon to suggest that if confusion under s 8(3)(iii) is shown that would *ipso facto* exempt the PAR from considering s 8(3)(ii). We recognise that s 8(3)(ii) and s 8(3)(iii) are in a sense related in that, in the words of the Judge ([11] *supra*) at [33], “the greater the similarity between the two marks in question, the greater would be the connection indicated and the greater the likelihood of confusion on the part of the public”. It may well be that in most cases where confusion is shown, especially if it arises out of trade source, that a connection would also have been indicated. But it is not necessarily the case in every instance especially in the context of s 8(3). It must be borne in mind that s 8(2) deals with the situation where the two marks *and* the goods in question are similar whereas s 8(3) applies only where the two marks are similar but *not* the goods. One must also note the scheme of things set out in s 8(3) where all the requirements that need to be established to bring a case within the provision are set out therein serially, and each element from (i) to (iv) would have to be satisfied in that order. This was also the view of the Judge in the court below, with which we agree. He stated at [33] of his judgment:

To succeed under s 8(3) of the Act, Mobil must show that the requirements of all four subparagraphs are met. ... From the construction of s 8(3), consideration of the four paragraphs must necessarily proceed serially. Therefore, if the requirement in subpara (i) is not met, *ie*, that the earlier mark must be well known in Singapore, then it is not necessary to consider the remaining requirements. Similarly, proceeding to subpara (ii), if no connection between the two sets of goods is indicated, it becomes unnecessary to consider the next requirement. This is because there cannot be any confusion unless a connection is indicated. But even if a connection is

indicated, Mobil must then show that, arising from the connection, there exists a likelihood of confusion on the part of the public. ...

65 We also agree with the Judge at [33] of his judgment where he pointed out that s 8(3)(ii) does not require that a *substantial* number of the public would draw such a “connection” between the two marks MOBIL and MOBIS. While the provision does not prescribe what should be the test to apply to show a connection, it must be presumed that Parliament intended the test to be that of the average consumer or the reasonable individual.

Conclusion on the requirement of a “connection”

66 In conclusion, we found that the appellant had not shown that it had satisfied the requirements prescribed in s 8(3)(ii). There was no indication of a “connection” under s 8(3)(ii) because the use of the mark MOBIS would not result in an indication of a connection as to origin, quality or business between MOBIS and MOBIL or the appellant. At most, the average consumer would be reminded that this mark resembles to an extent the MOBIL mark and nothing more. While the categories of a “connection” are not closed, we did not think that the mere fact that the mark MOBIS might enable an average consumer to recall the MOBIL mark was sufficient for the purposes of s 8(3)(ii). Similarly, we did not think that the ordinary person looking at the goods bearing the MOBIS mark would likely have thought that Mobil could have expanded into the business of manufacturing automobile parts: see [62] above.

67 Our decision on the construction of s 8(3)(ii) would have suffice to dispose of this appeal. However, for the sake of completeness, we will turn to consider the other requirements of s 8(3).

“[T]here exists a likelihood of confusion on the part of the public because of such use”

68 Section 8(3)(iii) expressly requires that it be shown that there is a likelihood of confusion on the part of the public on account of the use by the respondent of the opposed mark. As discussed above (see [36]), this provision makes express what would appear to be the implicit requirement of *confusion* in Article 16(3) of TRIPS.

Global confusion test for section 8(2) applicable for section 8(3)(iii) as well

69 The appellant argued that the “global confusion test” to determine “a likelihood of confusion” (enunciated in *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 (“*Polo*”)) is applicable only to s 8(2) but not s 8(3). The “global confusion test” essentially looks at the question of confusion globally, considering all circumstances which may be relevant. This Court stated in *Polo* at [28]:

The question of likelihood of confusion has to be looked at globally taking into account all the circumstances including the closeness of the goods, the

impression given by the marks, the possibility of imperfect recollection and the risk that the public might believe that the goods come from the same source or economically-linked sources: see *Associated Newspapers Ltd v Express Newspapers* [2003] FSR 51 (*'Associated News'*). But that is not all. Steps taken by the defendant to differentiate his goods from those of the registered proprietor are also pertinent. ...

70 The appellant argued that the difference between ss 8(2) and 8(3) is that “a likelihood of confusion” for the former is linked to *similarity* of both the marks and the goods whereas confusion for the latter is linked to the *use* of the opposed trade mark on goods which are not similar to those in respect of which the earlier registered mark are to be applied. The respective provisions read:

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

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected; or

(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.

8(3) A trade mark which —

(a) is identical with or similar to an earlier trade mark; and

(b) is to be registered for goods or services which are not similar to those for which the earlier trade mark is protected,

shall not be registered if —

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

(ii) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered would indicate a connection between those goods or services and the proprietor of the earlier trade mark;

(iii) *there exists a likelihood of confusion on the part of the public because of such use; and*

(iv) the interests of the proprietor of the earlier trade mark are likely to be damaged by such use.

[emphasis added]

71 Because of this difference, the appellant suggested that a “modified” “global confusion test” should be applied to determine confusion under s 8(3)(iii). This modified “global confusion test” would also consider all the circumstances but subject to certain modifications. The modifications suggested by the appellant may be summarised in the following manner:

(a) whether there is similarity of marks and goods/services to which the marks are to be applied, or the degree of such similarity, is irrelevant in determining a likelihood of confusion;

- (b) a likelihood of confusion arises by the use of the opposed mark on the goods for which it is registered. The use of the opposed mark is relevant, including any steps taken to differentiate the opposed mark from the well known mark;
- (c) the extent of renown accorded to the well known mark is highly determinant of whether there is likelihood of confusion; and
- (d) the presence of damage to the proprietor's interests is not a factor to be considered because it is an express requirement under s 8(3)(iv).

72 On the first suggestion, while s 8(3)(b) provides that the section only applies where the goods or services to which the two marks are applied are dissimilar, it does not follow that this dissimilarity may not be taken into account for the purposes of determining confusion. Common sense would tell us that such dissimilarity could have an effect as to how an ordinary individual would perceive the situation of two similar marks on dissimilar goods or services. What would he think? That is the question which the court has to address and answer. Of course, for there to be an indication of a connection between the goods/services which use the opposed mark and the proprietor of the well known mark so as to give rise to confusion, the degree of similarity between the two marks will obviously be critical. The more similar the two marks, the more likely they would indicate a connection and in turn the more likely that there would be confusion. This view is consistent with s 27(3), which is the counterpart provision to s 8(3) and deals with acts amounting to an infringement of registered well known marks. Section 27(3) makes clear that for there to be an infringement of the well known mark, there must be similarity between that mark and the new mark which has been made use of on dissimilar goods/services by the infringing party. The section reads:

27(3) A person infringes a registered trade mark which is well known in Singapore if —

- (a) without the consent of the proprietor of the trade mark, he *uses* in the course of trade a sign which is identical with or *similar* to the trade mark in relation to goods or services which are not similar to those for which the trade mark is registered;

[emphasis added]

73 We would thus reiterate that s 8(3) should be read as a whole. As pointed out in the last paragraph, s 8(3)(a) requires the opposed mark and the well known mark to be identical or similar, and unless that is so, s 8(3) would have no application whatsoever and there could not have been any indication of a connection or any possible confusion. The appellant themselves conceded as much in their case when they stated that if the marks in question were not even similar, then s 8(3) would not be “called into operation” and there was no need to proceed to consider other

requirements. Here, we would make the further observation that, in view of the fact that for s 8(3) to be applicable the goods to which both marks are to be applied must not be similar, it stands to reason and common sense that in such circumstances for confusion to arise, the extent of similarity between the two marks must necessarily be great.

74 The exact purport of the second suggestion appears somewhat obscure to us. Be that as it may, the second and third suggestions seem to us to be nothing more than relevant factors which ought to be considered in applying the “global confusion test” enunciated in *Polo*. We did not think therefore that these “modifications” made any difference as to how the “global confusion test” was to be applied in relation to s 8(3). At this juncture, we would make one qualification to the point in the third suggestion that the reputation of the well known mark is “highly determinant” of the likelihood of confusion. Of course, that is one of many factors which should be taken into account in the overall consideration. The reputation of the well known mark is neither in itself determinative nor should more weight necessarily be placed on it over other relevant factors. If that were intended, s 8(3) would have been worded differently. We would reiterate that the only point which the owner of a well known mark need not show is goodwill in that mark in Singapore.

75 On the fourth suggestion, the appellant seemed to be stating the obvious. There is no need to show damage in order to establish confusion under s 8(3)(iii) because the element of damage is an express requirement under s 8(3)(iv). However, we recognise that under s 8(2), damage is not expressly a requirement which needs to be shown by the opposing party in order to succeed in its opposition to the registration of the new mark. We venture to think that the reason why for the purposes of s 8(2) damage is not expressly required to be shown is because the goods or services to which the later and the earlier marks are to be applied are identical or similar and if likelihood of confusion is shown, loss or damage would naturally follow. Here, it must also be borne in mind that s 8(2) is not concerned with well known marks. On the other hand, s 8(3) is concerned with well known marks which may not have any goodwill in Singapore and where the goods or services to which the two marks are to be applied are dissimilar. Thus, there is a need for the proprietor of the well known mark to show that its “interests” would be damaged by the use of the later mark.

76 While there are these differences between ss 8(2) and 8(3), there is no reason why the court should not take all the circumstances into account in determining whether, in the totality, there is a likelihood of confusion for the purposes of s 8(3)(iii) as for s 8(2). The words “similar” and “confusion” appear in both these provisions. In principle, they should be given the same meaning. We note that in *Britesmile International, Ltd v Smile Inc Asia Pte Ltd* [2005] SGIPOS 9, the PAR applied the same test for determining confusion provided for in s 8(2) and s 8(3). Indeed, we also note that the

expression “likelihood of confusion” appears in a number of provisions in the TMA and, unless the context otherwise requires, Parliament must be presumed to have intended that the expression should have the same meaning wherever it appears in the Act, *eg*, see *Bennion on Statutory Interpretation* (LexisNexis, 5th Ed 2008) at p 1217.

Substantiality

77 Given that s 8(3)(iii) should be decided on the basis of considering *all relevant circumstances*, we think that the Judge was correct in holding at [33] that confusion must be based on a substantial portion of the public:

It cannot be within the contemplation of the Act that sub-para (iii) would be satisfied if only a single member of the public would be confused by the use of both marks. *In my opinion, in view of the words ‘likelihood’ and ‘public’, the test ought to be whether there is a substantial number of the relevant public (ie, people who are in the market for such goods) would be confused. By ‘substantial number’ I do not mean a majority, but a not insubstantial number.* Applying that test, I find that even if there were a connection indicated, there does not exist a likelihood of confusion on the part of the public in view of the different nature of the goods and the nature of the two trade marks.

78 This would be commensurate with the standard already established under the law of passing off. Jacob J stated in *Neutrogena Corporation v Golden Limited* [1996] RPC 473 at 481–482:

It is, of course, the effect on the goodwill of Neutrogena which matters. It is not a defence to passing off that many of a defendant’s sales do not cause deception or confusion. There is passing off even if most of the people are not fooled most of the time but enough are for enough of the time. *By ‘enough’ I mean a substantial number of the plaintiff’s customers or potential customers deceived for there to be a real effect on the plaintiff’s trade or goodwill.* In this case (where most of these are probably not confused) the crucial question is whether or not the plaintiffs have established a sufficient degree of confusion and deception to take the case above a *de minimis* level. For there are always some people who are confused and even when products and names are well-differentiated, mistakes do occur. [emphasis added]

79 As noted by Jacob J, there are “always some people who are confused” and in this regard we agree with the Judge’s observation quoted above at [12] that it cannot be the intent of s 8(3) that the requirement of confusion prescribed in s 8(3)(iii) is satisfied even if only a single member of the public is confused. In other words, it is not sufficient “that the only confusion would be to a very small unobservant section of society or as Foster J put it recently, if the only person who would be misled would be a moron in a hurry”. (See *Tong Guan Food Products Pte Ltd v Hoe Huat Hng Foodstuff Pte Ltd* [1991] 1 SLR(R) 903 at [24].)

80 We also note that a similar view was advanced by the High Court in *Richemont International SA v Goldlion Enterprise (Singapore) Pte Ltd* [2006] 1 SLR(R) 401 (“*Richemont*”) at [25]:

...

In my view, *the test audience ought to be the same for ss 8(2) and 8(3) of the (current) Act as for s 15 of the earlier Act. There is no reason why the likelihood of confusion should not be assessed by reference to ordinary sensible members of the public rather than to any particularly observant or obtuse section thereof.* As to the degree of confusion, neither statutory form of words dictates the degree required. The word ‘likely’ in s 15 of the earlier Act, unqualified by any preceding word or phrase such as ‘very’, ‘most’, or ‘in any way’, imports a likelihood no different from that required under s 8(2) or s 8(3) of the Act. *It seems to me the test in each case should be whether there is a real prospect that ordinary sensible members of the public may be confused.* (This was the approach adopted by Hoffmann J (as he then was) in *Re Harris Simons Construction Ltd* [1989] BCLC 202 where he had to construe the meaning of the word ‘likely’ in the context of s 8(1)(b) of the UK Insolvency Act 1986 (c 45) which required that an administration order be made only if the court was satisfied that one of the purposes set out in s 8(3) of the same Act was ‘likely’ to be achieved. [emphasis added]

81 It is a settled principle that a statutory provision should be construed reasonably in the light of what is the legislative object behind the provision. Thus, it stands to reason that the test to be applied to determine whether there would be confusion must be that of an ordinary member of the public, or an average consumer, not someone who is either very observant or obtuse. The law should not cater to the whims or idiosyncrasy of a moron who may have the tendencies to visualise confusion for the slightest reason. It has to be the ordinary individual of average intelligence and care.

82 For the above reasons, we are of the opinion that, in line with the law of passing off, a substantial portion of the public would be an appropriate threshold to set for s 8(3)(iii), and for that matter, s 8(2) as well. We note that in para 165 of the Appellant’s Case it stated that “as long as there is a likelihood of confusion on any part of the public (substantial or otherwise), this element of s 8(3) has been satisfied”. Unless the appellant intended to suggest, by the use of the expression “substantial or otherwise” that the view of a single individual or a small number of people would suffice to establish confusion, the appellant seems to be engaging in semantics. If what is suggested is not merely confusion by an individual of subnormal intellect or a moron in a hurry, but confusion on the part of an ordinary individual of average intelligence and care, we would have no difficulties with that. Here, we recall the caution of the English Court of Appeal in *Reed Executive Plc v Reed Business Information Ltd* [2004] RPC 40 at [82] which stated that we should guard against too “nanny” a view of protection and if the confusion is only to arise in the mind of the careless or stupid, that is not good enough.

Application

83 Bearing in mind the principles alluded to above, this Court held that there was no likelihood of confusion as a result of the use of the MOBIS mark by the respondent.

84 Relevant factors which could be considered include (a) the similarity of the goods in question; (b) the impression made by the marks; (c) the possibility of imperfect recollection; and (d) any steps taken by the defendant to differentiate his goods from the proprietor. Although there was some similarity between the two marks, there were significant differences between them in terms of font, capitalisation and colour. In particular, even the strongest similarity – the red letter “O” – was capitalised and designed in an artistic manner by the respondent, which was plainly different from the regular font used by MOBIL. We therefore were unable to accept the appellant’s contention that insufficient effort had been put in distancing the opposed mark from MOBIL. The fact that the two trade marks, while similar and yet having their own distinctive features, and are being applied or proposed to be applied to dissimilar goods (automobile lubricants versus automobile parts) would mean that something more is required before confusion is likely to arise. Accordingly, we did not think that the appellant had sufficiently proved a likelihood of confusion having regard to the following.

85 Firstly, the trade channels of both Mobil and Hyundai Mobis are essentially different, although there may be instances of overlap. Some of the automobile parts or accessories made by Hyundai Mobis may be sold in workshops or petrol stations where MOBIL lubricants may also be sold. However, we agree with the PAR that automobile accessories or parts require some basic level of compatibility. Motorists who purchase such accessories or parts would have enquired whether they would fit with their vehicles. This means that the purchase of MOBIS products is not likely to be spontaneous and such consumers are therefore less susceptible to confusion as purchases are made with consideration and thought. Another lot of consumers of such accessories and parts could well be motor workshops to whom an owner of a vehicle could have sent his vehicle to for works to be undertaken. For such workshop operators who are people in the trade, it would be most unlikely that they could be confused and if they are, then they should not be in the trade.

86 Secondly, the fact that Mobil has been in business for many years in Singapore, and has not in fact ventured into vehicle accessories/parts is a factor which works against the appellant. This is because there will be a persistent impression amongst the public that Mobil is only involved in oils and lubricants. Hence, an average consumer who sees MOBIS vehicle parts would *in fact* be slow to connect and confuse them with Mobil although he may feel that the word “Mobis”, to an extent, resembles “Mobil”.

87 Thirdly, even if the appellant goes into providing a “one-stop solution” for motorists by providing vehicle repair services at MOBIL petrol stations, which would be a novel concept, it would in fact reduce the likelihood of confusion between goods of the two marks because MOBIS products would in fact be distinguished without the complementary “one-stop” service of also providing petrol and lubricant.

88 Fourthly, as this Court had stated in *Super Coffeemix Manufacturing Ltd v Unico Trading Pte Ltd* [2000] 2 SLR(R) 214 at [46], “an educated consumer ... would be able, without difficulty, to differentiate one from the other”. Indeed, consumers nowadays are more educated and in turn more sophisticated and thus more able to differentiate and distinguish. This was observed by this Court in *Tong Guan Food Products Pte Ltd v Hoe Huat Hng Foodstuff Pte Ltd* ([79] *supra*) at [30] when it stated that “although illiteracy has been referred to in many of the previous cases, this must be an evaporating consideration in the Singapore of today”. Therefore, unlike candies which are often bought on the spur of the moment, and particularly by children, a motorist does not buy vehicle parts in the same way and this was pointed out by both the PAR and the Judge. In any case, as a general rule, it would not be wrong to say that motorists are a more financially able lot in society and are by and large earthly wise. We think that the chances of them getting confused and deceived are quite remote.

Conclusion on confusion

89 In conclusion, we hold that the “global confusion test” enunciated in the case of *Polo* ([69] *supra*) in determining confusion for s 8(2)(b) is also applicable to such a determination under s 8(3)(iii). An assessment of the likelihood of confusion should take into account all relevant circumstances. In this regard, the relevant audience by which confusion should be measured are the average sensible motorists. The element of “confusion” under s 8(3)(iii) is satisfied so long as a substantial portion of such persons are likely to be misled. Thus, even if contrary to our finding in [66] above that a “connection” within the meaning of s 8(3)(ii) should have been found to exist, we do not think that there is likely to be any “confusion” arising.

90 Again, for completeness, we will now turn to consider the requirement of damage under s 8(3)(iv).

“[T]he interests of the proprietor of the earlier trade mark are likely to be damaged by such use”

91 As we have elaborated above at [23] to [33], the law of passing off is in some ways similar and yet in other respects different from the well known trade mark protection regime under s 8(3) of the TMA. Under the classic trinity of passing off, “damage” is a fundamental requirement, apart from two other two elements of “goodwill” and “misrepresentation”. However, under the law of passing off, “damage” is with respect to the goodwill of the

trade mark. In comparison, “damage” under s 8(3)(iv) is not with reference to “goodwill” but with respect to the “interests” of the well known mark proprietor. Since well known marks are not required to have a business presence in Singapore, damage to goodwill will only be one way by which the proprietor of a well known mark may show damage. In cases where a well known mark only enjoys reputation in Singapore (and is not carrying on business in Singapore), the interests protected by s 8(3)(iv) must of necessity be broader than mere harm caused to goodwill.

92 In Tan Tee Jim, *Law of Trade Marks and Passing Off in Singapore* (Sweet & Maxwell, 2nd Ed, 2005) at para 6.55 (“*Tan Tee Jim*”), the author is of the similar view that the ambit of interests under s 8(3) is very broad:

This aside, *it is suggested that the term ‘interests’ is wide-ranging enough to embrace all manifestations of his ability or potential to exploit his mark.* This includes protecting his mark against loss or erosion of its distinctiveness by dilution – ‘the gradual whittling away or dispersion of the identity and hold upon the public mind of the mark or name by its use upon non-competing goods’. This can occur by way of ‘blurring’ or ‘tarnishing’, as discussed below. [emphasis added]

The author went on to discuss the concept of dilution applicable under s 8(3) (at paras 6.57 and 6.58):

The concept [of dilution] slowly took root in the US. It was only 20 years later, in 1947, that the first anti-dilution statute was enacted by the state of Massachusetts. This was followed by Illinois in 1953 and New York in 1955. Subsequently, at least 25 other states passed similar statutes in the decades prior to the enactment in 1995 of the Federal Trademark Dilution Act (FTDA) which amended section 43 of the US Trade Mark Act of 1946 (the Lanham Act). The FTDA creates a federal cause of action for trade mark dilution, defining dilution as ‘the lessening of the capacity of a famous mark to identify and distinguish goods or services, regardless of the presence or absence of:

- (1) competition between the owner of the famous mark and other parties; or
- (2) likelihood of confusion, mistake or deception’.

This definition is now adopted in our 1998 Act. It essentially means the lessening of the distinctiveness of a well-known trade mark to such an extent that the mark is no longer capable of arousing immediate association with the goods or services for which it is registered. This usually occurs by way of either ‘blurring’ or ‘tarnishing’....

93 However, we would add a qualification to the views expressed in *Tan Tee Jim* above. While the scope of “interests” protected under s 8(3)(iv) is wide, we have reservations as to whether it extends to *non-confusing types* of dilution of the well known mark by way of blurring or tarnishment. This becomes clear when we compare the wording of s 8(3) with that of s 8(4) of the TMA 2005. The latter 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; [“damaging connection”] 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; [“unfair dilution”] or
 - (B) would take unfair advantage of the distinctive character of the earlier trade mark. [“unfair advantage”]

94 From the wording of s 8(4), it would have been clear that the concept of “unfair dilution”, referred to in s 8(4)(b)(ii)(A) and that of damage to “interests” under s 8(4)(b)(i) are distinct ideas as the latter is linked to confusion while the former is not. In *Amanresorts Appeal*, this Court held that a “connection” under ss 55(3)(a) and 8(4)(b)(i) of the TMA 2005 is a “confusing” type of connection. In other words, confusion is still required to establish a “connection” under ss 55(3)(a) and 8(4)(b)(i). Correspondingly, non-confusing types of damage by blurring and tarnishment apply only to marks which are well known to the public at large in Singapore (which is distinct from a well known mark *per se* and one is entitled to assume that Parliament would not have used a different terminology if the same sense was intended) under s 8(4)(b)(ii)(A). The Court of Appeal stated at [226]–[227] of *Amanresorts Appeal* ([19] *supra*):

... The ‘damaging connection’ condition in s 8(4)(b)(i) and s 55(3)(a) of the current TMA will be satisfied only where there is a confusing connection between the plaintiff and the defendant’s goods or services (*ie*, only where there is confusion) because non-confusing connection is covered by the ‘unfair dilution’ condition in s 8(4)(b)(ii)(A) and s 55(3)(b)(i). The ‘unfair advantage’ condition in s 8(4)(b)(ii)(B) and s 55(3)(b)(ii) sets out an entirely separate category of protection against ‘free-riding’ uses. ...

First, it is intuitively strange for dilution in its two forms (*viz*, blurring and tarnishment) to be split between two different limbs of the current TMA (namely, on the one hand, s 8(4)(b)(i) and s 55(3)(a) *vis-à-vis* dilution by tarnishment and, on the other hand, s 8(4)(b)(ii)(A) and s 55(3)(b)(i) *vis-à-vis* dilution by blurring), each of which applies to *different kinds of trade marks*. If Ong is right, in respect of a trade mark which is merely a ‘well known trade mark’ as defined in s 2(1) of the current TMA, an action for

dilution by tarnishment can be brought (in view of s 8(4)(b)(i) and s 55(3)(a)), but *not* an action for dilution by blurring because the latter is limited to a trade mark which is ‘well known to the public at large in Singapore’ (see s 8(4)(b)(ii) and s 55(3)(b)). This very unconventional bifurcation of actions for dilution has no precedent elsewhere.

[emphasis in original]

95 It follows that damage to interests under s 8(3)(iv) would *not* include non-confusing types of damage. The damage to interests caused to the well known mark proprietor under s 8(3) is a result of confusion on the part of the public. In this regard, we would again refer to para 4.3 of the explanatory note to the *Joint Recommendation*:

Under this item, a connection between a well-known mark and a third party’s goods or services may be indicated, for example, if the impression is created that the owner of the well-known mark is involved in the production of those goods, or the offering of those services, or that such production or offering was licensed or sponsored by him. *The interests of the owner of the well-known mark could be damaged if the goods and/or services with which the connection is established have a down-market image, thereby reflecting negatively on the goodwill of the well-known mark.* [emphasis added]

96 As this Court had clarified in *Amanresorts Appeal* at [198] to [212], Article 4(1)(b)(i) of the *Joint Recommendation* (to which para 4.3 of the explanatory note cited above at [95] elaborates on) did not dispense with the need for confusion. This therefore means that any damage to the goodwill of a well known mark by a “down-market” connection as illustrated in the explanatory note is one which is based on confusion, and we would therefore stress, must be distinguished from “unfair dilution” under s 8(4)(b)(ii)(A) which can occur without public confusion. Indeed, damage to goodwill as a result of a “down-market” connection caused by confusion is a traditional head of damage under the law of passing off which have come to be termed by decisions as “dilution of goodwill”. The term “dilution” is often used too loosely and with the introduction of the doctrine of “unfair dilution” for well known marks to the public at large, we would caution against the confusion of the two. This Court gave the same caution in *Amanresorts Appeal* at [131]:

We shall have occasion to consider the technical and statutory definitions of ‘dilution’ in due course in the context of the Respondents’ claim under s 55 of the current TMA. It suffices for the moment to say that, to avoid unnecessary confusion, it is better to avoid using the word ‘dilution’ in a passing off action when what is meant is simply tarnishment or blurring of the goodwill in the plaintiff’s get-up.

We would further add that the terms “blurring” or “tarnishment” must also be approached carefully. “Unfair dilution” under s 8(4)(b)(ii)(A) can also occur by way of blurring or tarnishment, but unlike the law of passing off, s 8(4)(b)(ii)(A) does not require any form of confusion. In contrast, the

tarnishment and blurring of a plaintiff's goodwill or as the cases have termed it, the "dilution of goodwill" under the law of passing off occurs when there is an erosion of goodwill, as *a result of misrepresentation* and therefore, *a result of confusion*. Similarly, under s 8(3)(iv), any damage to "interests" would flow from any confusion proven under s 8(3)(iii). An example of "dilution of goodwill" under the law of passing off can be found in the case of *Millenia* ([51] *supra*), and here we would refer to [84] of that judgment:

... It would be commercially damaging for a business of a super deluxe 'five-star' hotel, as RCMS is, to be associated with that of a 'four-star' hotel, which the appellants' hotels admittedly are. The reason for this is simple and is best illustrated in the sale or provision of goods or services. *If there is a misrepresentation induced by the defendant, such that the public is led to believe erroneously that the plaintiff's and the defendant's goods or services are the same or that their businesses are connected, the plaintiff's goodwill in his business would be likely to be diluted, if the defendant's goods or services are of a quality or class lower than that of the plaintiff's.* Deceived into thinking that the plaintiff's and the defendant's goods or services are the same or that their businesses are connected, the public would mistakenly perceive the plaintiff as having a range of lower quality goods or services which in reality belong not to him but to the defendant. The public would not perceive the plaintiff as supplying solely top-of-the-range goods or services but of varying qualities. The prestigious image of the plaintiff would in these circumstances be likely to be undermined. [emphasis added]

97 Similarly, the High Court in *Amanresorts* after finding that there was misrepresentation in the action of passing off, went on further to find that there would likely be damage to the plaintiff's goodwill. In doing so, Tay J found at [65] that one of "the most potent form of likely damage" to the goodwill of well known marks was "the insidious process of dilution such that the famous name loses its uniqueness or, worse, such that the name which inspired hushed awe could in future evoke suppressed laughter because of the association with projects that do not quite exude the same luxury and class or quality of upkeep".

98 There are conceivably other possible types of damage covered by s 8(3)(iv). After all, if a well known mark need not possess goodwill or operate a business in Singapore, this means that in such cases, there may not be any "dilution to goodwill" or loss of sales to speak about. However, a proprietor of a well known mark in such cases can still suffer other damage such as (a) restrictions on the expansion of use of the well known mark; and (b) risk of litigation. Again, like the requirement of "connection" under s 8(3)(ii), the possible heads of damage under s 8(3)(iv) are similarly not closed but we foresee that these two types of damage would probably be the most common, apart from the established head of damage through "dilution of goodwill". We now examine briefly these two heads of damage.

Restriction on the expansion of use

99 The protection afforded here is with respect to future areas of business which a well known mark is likely to expand into. In such cases, the courts will recognise that there is a legitimate interest in protecting these prospective areas of business, the absence of which will cause damage to the proprietor of the well known mark. However, as this Court had qualified in *Amanresorts Appeal* at [118], this head of damage is premised on close proximity between the present field of business and the prospective field to be expanded into:

It is, however, important to stress the close connection which must exist between the established activity and the extended activity for that connection forms the foundation for this head of damage. Wadlow in *The Law of Passing-Off* ([73] *supra*) cites (at para 4-42) the following extract from the American case of *S C Johnson & Son, Inc v Johnson* 116 F 2d 427 (2nd Cir, 1940) at 429 (*per Hand J*) as being representative of the English position in this regard:

It is true that a merchant who has sold one kind of goods ... sometimes finds himself driven to add other 'lines' in order to hold or develop his existing market; in such cases he has a legitimate present interest in preserving his identity in the ancillary market, which he cannot do ... if others make his name equivocal there. *But if the new goods have no such relation to the old, and if the first user's interest in maintaining the significance of his name when applied to the new goods is nothing more than the desire to post the new market as a possible preserve which he may later choose to exploit, it is hard to see any basis for its protection [ie, for the protection of the merchant's name in the new market].* The public may be deceived, but [the merchant] has no claim to be its vicarious champion; his remedy must be limited to his injury and by hypothesis he has none.

[emphasis added]

100 In this case, as we have observed above at [62], while the business of automobile lubricants and automobile parts are related, there does not appear to be any real evidence that the appellant would expand into the latter business, even though the appellant claimed that they had plans to set up a one stop solution for automobiles, providing goods and services relating to both lubricants and parts. It had failed to embark on this route in the past 50 to 60 years. Therefore, we did not think that even if the appellant were successful in proving a "connection" and "confusion" under s 8(3), the appellant could have realistically claimed that the respondent's opposed mark restricted their likely expansion into the business of automobile parts.

101 We also recognise that the interests of the proprietor of such a well-known mark, which has yet to establish business in Singapore, could also be affected in one other way, *ie*, where the possibility of him expanding his business into Singapore is restricted. Like in the situation discussed in the last paragraph involving expansion into a new line of related products or

businesses, to claim likely damage to interests on this ground, the proprietor must show that he has a genuine intention to expand his business into Singapore. As in the case of passing off, a genuine intention to expand into a particular region is required in order to obtain an injunction in such a situation. This is illustrated by the case of *Chelsea Man Menswear Limited v Chelsea Girl Limited* [1987] RPC 189, where the plaintiffs applied for an injunction based on passing off to restrain the defendant from operating in parts of England which the plaintiff intended to expand into. The defendants had suggested that if the injunction, were to be granted, it should be restrictive and mark out areas which the plaintiff and defendant could operate in respectively. The court rejected this suggestion because it was clear that the plaintiffs intended to expand beyond the proposed restrictions and ring fences (at 205):

For the reasons which I have stated, I am not satisfied that an injunction in the restricted form proposed would suffice to give the plaintiffs the relief to which they are entitled, even if it were to be assumed that they will never extend their own trading activities in Chelsea Man menswear outside the proposed restricted areas and that the risk of confusion among *suppliers* is not a factor which the court ought to take into account in considering the question of relief. However, both these assumptions would, in my opinion, be ill-founded. *As to the first, it is clearly the wish and intention of the plaintiffs, if and when they can, to expand the geographical scope of their menswear business which, though still quite small, has had remarkable success over the past ten years. There is, in my judgment, no reason in fact or in law why the court, in considering the proper form of relief, should treat them as having a business of which the boundaries will necessarily be confined to the three proposed restricted areas.* [emphasis added]

Risk of litigation

102 Under the law of passing off, when a trade mark passes off as a well known mark, the proprietor of the well known mark may run the risk of incurring legal liability, especially when the trade mark passing off as the well known mark provides a much lower quality of goods or services. Products of inferior quality could and would expose the plaintiff to legal action by unsuspecting buyers. Tay Yong Kwang J in *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 stated at [24] (see also *York Pacific Holdings Ltd v U-Re Auto Sdn Bhd* [1998] 5 MLJ 84):

The plaintiff alleged that it had suffered or was likely to suffer irreparable loss and damage as the construction equipment and machinery and services offered by the defendant on his website and in the brochures ... *[t]hese products were of inferior quality and the continued use of the offending marks on the offending products was injurious to the plaintiff's goodwill and proprietary rights in its registered trade marks. The offending products would also expose the plaintiff to liability or risk of litigation from unsuspecting buyers and users. The plaintiff's trade marks would also lose their reputation*

and value since they would no longer be exclusively and solely distinctive to the plaintiff. [emphasis added]

103 The damage here is the exposure to litigation, and not successful litigation. Therefore in *Illustrated Newspapers, Limited v Publicity Services (London), Limited* [1938] Ch 414, it was held at 422:

On the third point I find on the evidence that the plaintiffs may well be thought to be responsible for the inset and that *they run a reasonable risk of being exposed to litigation—not successful litigation, but litigation which may none the less be very annoying and possibly cause them considerable expense.* [emphasis added]

104 In addition, the exposure to legal liability need not arise from actions initiated by third parties or dissatisfied customers, but may result from the mere non-compliance with statutory provisions. In *Law of Passing Off* ([52] *supra*), Christopher Wadlow makes the above point at para 4-33, citing *Associated Newspapers Group Plc v Insert Media Limited* [1991] FSR 380:

In *Associated Newspapers v Insert Media* one of the reasons given for supposing that the plaintiffs would suffer damage from the defendants placing unauthorised advertising inserts in their newspapers was that there was a risk of the advertisements not complying with statutes such as the Financial Services Act. In addition, the defendants did not subscribe to either the Mail Order Protection Scheme or to the British Code of Advertising Practice.

105 In this case, there was no evidence to suggest that MOBIS automobile parts might expose Mobil to any legal liability. If anything, as Hyundai Mobis supplies automobile parts to many countries in the world, and as its parent company, Hyundai, is itself the manufacturer of automobiles which are exported worldwide, including Singapore, it is highly unlikely that the automobile parts made by the respondent would be associated with poor quality or sub-standard goods.

Conclusion on damage to interests

106 In the result, we did not share the tentative views of the Judge, assuming that the requirements of “connection” and “confusion” had been shown, that there was sufficient evidence to suggest that the interests of the appellant would likely be damaged by the use of the MOBIS mark (see [108] below). First, the appellant would not have suffered any pecuniary loss because the appellant was not involved in selling automobile parts. In other words, the appellant would not have suffered a diversion of sales. Second, the registration of the opposed mark would not have restricted the ability of the appellant to expand the use and exploitation of its well known MOBIL mark because even though the appellant had operated its business in Singapore for more than sixty years it had not branched out of its core business and neither was there any evidence to show that the appellant had

a real intention to venture into the business of automobile parts or even providing a one stop solution for motorists.

Conclusion on the first issue

107 For the above reasons, this Court held that the appellant had not shown that there was either a “connection” or “likelihood of confusion” as required under ss 8(3)(ii) and 8(3)(iii). We were also not satisfied, assuming that the requirements in ss 8(3)(ii) and 8(3)(iii) had been met, that there would be damage to the appellant’s interests under s 8(3)(iv). Therefore, we found that the appellant failed in the first issue. We will now consider briefly the second and third issues

The second issue

108 The second issue raised the question as to whether a finding of mere likelihood of damage to the appellant’s interests would be sufficient ground in itself to oppose registration of the later mark under s 8(3) of the TMA. The appellant was essentially arguing that a finding that damage would likely result to the well known trade mark proprietor meant that s 8(3) would have been fulfilled. Here, the appellant is relying on an alleged finding by the Judge that there was damage to the appellant’s interest. The Judge stated at [34] of his judgment ([11] *supra*):

As for sub-para (iv), the PAR held that it would not be possible for Mobil to show that its interests are likely to be damaged by such use as the Opposed Mark has not yet been used in Singapore. I agree with Mobil that this holding is wrong as this would mean that only upon its use can an opposition to a new mark succeed under this provision, no matter how closely it resembles an existing well-known mark. Indeed, this provision enables the owner of an existing mark to oppose the registration of a new mark and it therefore necessarily involves a mark that is not yet used. *I am of the view that, if the requirements in sub-paras (ii) and (iii) are made out, there is enough evidence in the affidavits filed to support a finding that the interests of Mobil are likely to be damaged by use of the Opposed Mark.* [emphasis added]

109 If the appellant were suggesting that the presence of likelihood of “damage” dispensed with the need to show a “connection” or “confusion”, this would, in our view, be wrong since each of the requirements under s 8(3) must be established serially. Alternatively, the appellant might be suggesting that once “damage” was proven, it must be taken that the other elements (“connection” and “confusion”) were *also* established. The latter would appear to be the position of the appellant as it was not arguing that other requirements of s 8(3) could be waived, but that once likelihood of damage was shown, the other requirements were deemed proven as well. We were unable to accept this argument either because it was based on an assumption, *ie*, that just because “damage” was present it must be taken to have satisfied ss 8(3)(i) to 8(3)(iii). The damage could equally be caused by factors outside the scope of s 8(3).

110 In this regard, we would refer to the caution expressed by Lai Kew Chai J in *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [15] when he rejected the ECJ's global assessment test in the interpretation of s 8(2) (quoting only the first part of his reasoning):

There are two reasons why I reject the global assessment test. First, the global assessment test is not *in pari materia* with our legislation and, in fact, confuses the elements of infringement required under s 27(2)(b) of the TMA. It is clear from the plain words of s 27(2)(b) that the likelihood of confusion, if any, must be the direct result of the similarity between the registered mark and the disputed sign and between the goods and services used in relation thereto. The provision does not make it an infringement if the likelihood of confusion is caused by some other factor. Neither does it make similarity merely one among other factors that may be considered. This is obviously sound because the TMA protects the proprietary rights of the owner's *trade mark* and nothing else. *This conceptual clarity is lost if we adopt the global assessment test which takes as its ultimate test the question of whether there is a likelihood of confusion ...* [emphasis in original in italics; emphasis added in bold italics]

111 Like s 8(2), every requirement listed in s 8(3) must be fulfilled in serial order, in a step-by-step manner. There is a logical flow in the requirements spelt out in s 8(3). Adopting the appellant's argument is akin to making "damage to interest" the ultimate test for s 8(3). This would be to ignore what are the clear terms of s 8(3) and would also result in a loss of conceptual clarity amongst the different elements of s 8(3). This is a consequence which is similar to that forewarned by Lai J when he rejected the ECJ's global assessment test for s 8(2).

112 We did not, therefore, find any merit in the appellant's arguments.

The third issue

113 The third issue is based on a new argument raised for the first time before this Court. Notwithstanding that the third issue was a new argument, we allowed counsel for the appellant to make the point. On the third issue, the appellant's main argument was that ss 55(3), 55(4) and 55(5) of the TMA 2005 gave the appellant greater rights to restrict the use and registration of the opposed mark under s 8(3). This argument was based on the premise that since in order to obtain an injunction the proprietor of a well known mark is not required under ss 55(3), 55(4) and 55(5) of the TMA 2005 to show likelihood of confusion as required in s 8(3), it therefore means that these provisions confer upon such a proprietor "greater rights". The appellant should be allowed to rely on such "greater rights" not only in infringement proceedings but also in opposition proceedings such as the present. The appellant cited the case of *Pensonic Corporation* ([41] *supra*) in support of its position, relying particularly on the PAR's finding that Article 16(3) of TRIPS did not specify that a likelihood of confusion was

required when it extended well known mark protection to dissimilar goods and services.

114 Further, the appellant also relied on ss 4(2) and 28(2) of the TMA 2005 to make the proposition that even if an opposed mark was registered, its registration only gave the registered owner of the mark a relative right. This was because s 4(2) makes clear that registration in itself did not confer on a trade mark any additional right or defence in a common law action in passing off. On the other hand, s 28(2) provided for a defence arising out of the prior use of an unregistered trade mark in an infringement action. Read together, both sections curtailed the rights of a registered trade mark. Following from this, the appellant argued that as the registration of the opposed mark only gave it a relative right and when that was viewed in the light of the “greater rights” given to the appellant to oppose the respondent’s trade mark, the preponderance of considerations supported the appellant’s contention that the MOBIS mark should not be registered.

115 With respect, we found great difficulty in following the appellant’s argument on this issue. The argument referred to in the last sentence of [114] seemed circular for the following reasons.

116 Firstly, like the arguments raised in relation to the second issue mentioned above, the appellant was again attempting to fudge distinct provisions in the TMA. The appellant’s argument here, based on ss 55(3), 55(4) and 55(5), was in our opinion, a veiled attempt to utilise s 8(4) of the TMA 2005. In an opposition proceeding, if the fact situation fell within s 8(4), the well known mark proprietor would be able to rely on the anti-dilution rights prescribed in that provision. However, since the MOBIS mark was registered before 1 July 2004, s 8(4) was not available to the appellant. The anti-dilution rights referred to in ss 55(3) and 55(4) could similarly have no application. Sections 55(3) and 55(4) would only come into play if the application for registration of the new mark was made on or after 1 July 2004.

117 Secondly, we do not think that ss 55(3), 55(4) and 55(5) necessarily confer “greater rights” on a proprietor of a well known mark like the appellant. As this Court clarified in *Amanresorts Appeal* ([19] *supra*), the requirement of confusion was not dispensed with in s 55(3)(a). A “connection” under s 55(3)(a) must still be the confusing type of “connection”. While protection against “unfair dilution” and “unfair advantage” under s 55(3)(b) does indeed confer broader protection to a mark “well known ... to the public at large in Singapore”, s 55 is basically not a provision relating to registration. The corresponding provision to s 55(3)(b) in an opposition proceeding is s 8(4)(b)(ii) of the TMA 2005. However, as elaborated above, s 8(4)(b)(ii) is inapplicable because the respondent applied to register MOBIS before 1 July 2004.

118 This Court cannot overemphasise the fact that conceptual clarity between different provisions in the TMA must be maintained. The law of registration is exhaustively laid down in Part II of the TMA and provisions from other parts dealing with other subject matter must not be allowed to contract or extend the scope of Part II. Indeed, as this Court reiterated in *Future Enterprises Pte Ltd v McDonald's Corp* [2007] 2 SLR(R) 845 (“*Future Enterprises*”) at [22], the regimes governing different applications under the TMA for different purposes should be kept distinct :

In determining the scope of the rights conferred by the system of registration of trade marks, paramount consideration must be given to the legislative framework and the clear and unambiguous wording of its provisions. The Act provides for several distinct types of applications (eg, opposition, infringement, invalidation, revocation) for good reason. Construing the provisions to create a ‘defence’ for unregistered marks on the basis of prior use in opposition proceedings initiated by proprietors of registered marks would undermine the rights conferred by registration. ... [emphasis added]

119 Thirdly, the reliance placed by the appellant on ss 4(2) and 28(2) was in our view, misplaced. It is clear that ss 4(2) and 28(2) are wholly irrelevant to opposition proceedings. In the case of *Future Enterprises* at [21], this Court made clear that ss 4(2) and 28(2) are irrelevant to opposition proceedings:

It is clear from the express terms of these two sections [ss 4(2) and 28(2)] that they have nothing whatsoever to do with opposition proceedings. Moreover, the mischief to which these sections are directed, ie, infringement by the appellant of the respondent’s trade mark, has not arisen and is not in issue before us. [emphasis added]

120 For the above reasons, we held that the arguments raised by the appellant on the third issue were wholly without merit.

Conclusion

121 In the result, we held that the objection of the appellant to the registration of the opposed mark on the basis of s 8(3) of the TMA was without merit. The opposed mark should therefore be allowed to be registered. Accordingly, the appeal was dismissed with costs and the usual consequential orders.

Reported by Tan Kai Liang.
