Intellectual Property News
December 2015

We are delighted to share with you the latest edition of our newsletter covering the latest Intellectual Property developments in Indonesia, Malaysia and Singapore.

We trust you will find this newsletter useful. If you would like any further information, please contact the team in your jurisdiction.

Best regards,

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Hadiputranoto, Hadinoto & Partners (Indonesia)
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Domain Name Dispute in relation to Trademarks

The Indonesian Domain Name Registry ("PANDI") recently established a dispute settlement forum for the country code top-level domain name (ccTLD) .id. The forum is called Penyelesaian Perselisihan Nama Domain or Domain Name Dispute Resolution Forum ("PPND"). The purpose of PPND is to provide an alternative from District Court civil claims for dispute settlement related to the .id ccTLD.

When initiating a domain name dispute proceeding in relation to trademarks, a trademark owner is required to demonstrate that (i) the registrant's domain name is identical and/or confusingly similar to a mark owned by the trademark owner concerned; (ii) the registrant has no rights and/or legitimate interests in the domain name; and (iii) the domain name has been registered or is being used in bad faith by the registrant. These three elements must be fulfilled for the trademark owner to prevail.

If a dispute over the same trademark is ongoing between the trademark owner and the registrant at the Commercial Court, this should be settled before initiating a domain name dispute proceeding, since the rights and/or legitimate interest in the domain name or the trademark concerned must be decided first.
To initiate PPND proceedings, the trademark owner must submit a complaint to the PPND by filing its objection, which consists of (a) the domain name in dispute; (b) details of the registrant; (c) the trademark, including the specification of goods/services it covers, which is identical or confusingly similar to the disputed domain name; (d) arguments of objection (maximum 3,000 words); (e) name and details of the trademark owner or its proxy; (f) name and details of the registrant; (g) a statement from the trademark owner which states that "the trademark owner agrees that the objection in relation to the disputed domain name is addressed to the registrant (the holder of the domain name), and not to the Indonesian Domain Name Registry, the Panelists and the Registrar."

The registrant has the right to submit a response within 21 days after receiving the complaint. The PPND panel will then consider the complaint and issue a decision within 21 days after receiving the complaint and the response.

The panel's decision must be announced to the public within 7 days after it is made. The panel may declare that the domain name registration is transferred, cancelled, changed, or not changed. The registrar must execute the panel's decision within 21 days after receiving the decision with respect to PANDI Guidelines on Domain Name Registration. Decisions of the PPND are not binding on courts, as the parties still have the right to bring their dispute to the District Court even if the claim is the same.

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Electronic IP filings will soon be available at the Indonesian IP Office

The Indonesian IP Office will soon accept electronic filing for new trademark applications, trademark renewal applications, patent applications, and industrial design applications. The Indonesian IP Office is expecting to launch the electronic filing by the end of this year. Several post registration services, such as the recordation of assignment rights, change of name and address, as well as change of trademark attorney, are scheduled to be launched in 2016.

As a preparation to implement the forthcoming new Trademark Law and in order to allow the Indonesian IP Office and IP practitioners to prepare for the accession of the Madrid Protocol, the Indonesian IP Office has developed the infrastructure and procedure for online electronic filing. The registration procedure will be streamlined and the trademark registration process will take less time. Further, the Indonesian IP Office, which handles a high number of applications, will be more efficient. Once the electronic filing system is launched, IP practitioners will be able to file and track the current status of their applications through the Indonesian IP Office's website, as the system promises real-time updating of database.

To access the system, a registered IP consultant is required to register his/her email address at the Indonesian IP Office. Under the new system, all supporting documents of a trademark application will be submitted online to the Indonesian IP Office, while original supporting documents will be kept by the IP consultant.
Foreign applicants will still be required to provide original supporting documents to their Indonesian IP consultants, as there are several procedures which require the original documents to be acceptable to the Indonesian IP Office, for example, stamp duty payment for supporting documents, and sworn translation of priority documents.

Upon submission of an electronic application together with scanned copies of supporting documents, the Indonesian IP Office will issue a billing code to the applicant to enable payment of official fees. Applicants will then be able to pay the official fees through electronic means, as opposed to the current system which requires direct deposit at the approved bank. The Indonesian IP Office will then issue an official filing receipt by email upon receiving the payment. The payment date of the trademark application will be considered as the filing date of the trademark.

This administrative efficiency seems to be heading in the right direction as it speeds up IP registration procedures. However, infrastructure development and training for both Indonesian IP Office officers and end users will be required to fully implement the system.

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Likelihood of Confusion in Trademark Registration

BRG Brilliant Rubber Goods (M) Sdn Bhd v Santa Barbara Polo & Racquet Club Management Inc; Pendaftar Cap Dagangan,Malaysia (Interested Party) And Another Case [2015] 4 CLJ concerned an appeal against the Registrar’s decision to dismiss the Plaintiff’s objections towards the Defendant’s trademarks.

The Plaintiff was a Malaysian company involved in the manufacture and sale of products using the Polo marks in Malaysia, and had obtained registrations for the same in 1981. The Defendant was the management company of the Santa Barbara Polo & Racquet Club, established in 1911 and the third oldest polo club in the United States of America (“USA”). The Defendant's Mark was created in 1911 and registered in Malaysia in 1993.

Plaintiff’s Mark and Defendant’s Mark

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<tr>
<th>Plaintiff’s Mark</th>
<th>Defendant’s Mark</th>
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<tr>
<td><img src="image" alt="Plaintiff’s Mark" /></td>
<td><img src="image" alt="Defendant’s Mark" /></td>
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The Plaintiff submitted that the Defendant’s Mark nearly resembled the Plaintiff’s
Mark as is likely to cause confusion premised upon section 19(1) of the Trademarks Act 1976. However, the Court held that:

i. visually, conceptually or phonetically, the two marks were clearly different;

ii. the Plaintiff had not secured any registration for the word mark “Polo”;

iii. even if the word “polo” was compared between both marks, they were not confusingly similar;

iv. in any event, component features of a mark can not be selected and compared with selective components of another mark. In this respect, the word “Polo” in the Plaintiff’s mark could not be compared with the word “Polo” in the Defendant’s Mark; and

v. the words “SANTA BARBARA”, “RACQUET CLUB” and device of a polo player on horseback meant that the Defendant’s Mark was distinct from the Plaintiff’s Mark.

The Plaintiff further relied upon section 14(1)(a) of the Trademarks Act 1976 in arguing that the Defendant’s Mark was confusingly and deceptively similar to the Plaintiff’s family of trademarks, including inter alia the marks ‘Polo’, ‘POLO’, ‘Polo player device’ and ‘Horse device’. Where an earlier mark was part of a series of marks owned by the same proprietor and that part was taken as the common element of the series of marks, then the likelihood of confusion or deception was very high.

However, the Court held that the Plaintiff could not claim monopoly over anything with the word ‘polo’, the ‘horse device’ or ‘polo player device’. The Plaintiff had to prove its ownership of the mark through registration or as a common law proprietor of the marks. The Court held that the Defendant’s Mark consisted of the full name of the club, which formed an integral part of the Defendant’s Mark. The words “Santa Barbara” were therefore more pronounced than the word “polo”. The appeal was accordingly dismissed.

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3D Printing - What’s Next?

3D printing technology has been in the market for several decades and was originally invented in the 1980s. The recent development however which impacts IP and other legal issues is that 3D printers are now accessible to consumers and retail for as low as a thousand US Dollars, while industrial 3D printers can now print highly intricate and complex objects which are fully assembled, complete with moving parts or hinges.

What would be interesting to examine is the impact of 3D printing on the protection of tangible IP. Would the impact be analogous to what downloads and file sharing did to digitally stored IP such as music? Computer-aided design
(CAD) files of products are easily downloaded and shared. As the technology becomes cheaper and the variety in printing materials expands, independently printing useful objects would become more common for smaller players and consumers. This along with the ability to share CAD files may pose a threat to IP owners.

Some companies have opted to adapt rather than fight the rise of 3D printing. Hasbro for example, opened up its IP to allow fans to have almost total control over how they design products from the My Little Pony line. By teaming up with Shapeways, a 3D printing service provider, Hasbro is able to navigate through product liability issues and retain control over the quality of the products being 3D printed, while allowing customers to have a fully customised experience.

Earlier this year, Lowe's Innovation Labs opened a hardware store which allows customers to 3D print replacement parts and décor products with full customisation. Customers are also able to 3D scan and reproduce their own items that are no longer in production.

Fighting rather than embracing the effects of 3D printing would be a difficult task. As a preliminary issue, the basic question on who owns the 3D printed work needs to be answered under copyright laws of the relevant local jurisdiction - would it be the person who conceptualises the design, the one who creates the CAD file or the one who operates the printer? There would also be the practical issue of enforcement which would be analogous to that faced by the media and entertainment industry in the 90s with the rise of the internet and the ability virally replicate digitised content.

IP owners and creators need to start thinking about how their product fits in the 3D printing landscape, particularly for consumer-facing businesses. Whether it wishes to share its IP or tighten controls, additional steps would need to be taken to ensure that it is prepared, whichever route it chooses.

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Delay Caused by Halal Certification Insufficient to Constitute Special Circumstances to Defend Non-Use Expungement

Case of Oishi Group Public Company Ltd v Liwayway Marketing Corporation

In the recent case of Oishi Group Public Company Ltd v Liwayway Marketing Corporation [2015] 2 CLJ 1121, the High Courts of Malaysia had the opportunity to consider the defence of special circumstances prescribed in Section 46(4) of the Trade Marks Act 1976 ("TMA") in a trade mark expungement suit based on the grounds of non-use.

Section 46(4) of the TMA prescribes that in the event that the failure to use a trade mark is due to special circumstances in the trade, the applicant for trade mark expungement shall not be entitled to rely on such non-use to challenge the defendant’s trade mark. In this regard, the defendant had argued that it was in the
process of obtaining a halal certification and since the application was pending, the defendant was not in a position to commence use of the Oishi mark.

The learned judge in reaching her decision made reference to the case of *Godrej Sara Lee Ltd. v. Siah Teong Teck & Anor (No.2) [2008] 7 CLJ 24* decided by Justice Ramly (as he then was) and reaffirmed the principles laid down in the case of *BULOVA Trade Mark [1967] RPC 29* (adopted in *Godrej*) and stated that in order to qualify as “special circumstances”, the following two conditions must be satisfied:

(a) the special circumstance must be peculiar or abnormal and must be external in nature; and

(b) the non-use must be as a result of those circumstances.

In her decision, the learned judge agreed with the plaintiff that pending issuance of a halal certification does not constitute an abnormal external event, but merely a commercial choice made by the defendant to purportedly venture into the halal market. As it does not satisfy the first principle, the defendant cannot rely on the defence of special circumstances found in Section 46(4) of the TMA.

The learned judge further held that the trade mark “Oishi” is a word having direct reference to the character or quality of the goods or services of the defendant’s trade marks, namely food and drink items and services and as such, contravenes with and/or does not fulfill the criteria of registration under the TMA. In the premise, the plaintiff’s application for expungement was allowed.

This decision reaffirms that the threshold to prevail in substantiating special circumstances under Section 46(4) of TMA remains high, and perhaps rightly so, as this places a burden on trade mark proprietors to file and register trade marks which they have *bona fide* intention to use.

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**Court clarifies Copyright Questions**

In the case of *Dura-Mine Sdn Bhd v Elster Metering Ltd & Anor* [2015] 1 CLJ 887, the Federal Court of Malaysia conclusively decided that the exact original copies of artistic works were not required for the purposes of establishing *prima facie* evidence of ownership of copyright under the “true copy” requirement within Section 42(1)(a)(iii) of the Copyright Act 1987, and applied the common law position that copyright is not limited to the first or earliest work.

In the present case, Dura-Mine contended that the courts should not have found it to have infringed Elster Metering’s copyright. Dura-Mine’s argument was based on Elster Metering’s statutory declaration submission of modified versions of the original drawings, instead of the original drawings itself. As such, Dura-Mine submitted that the non-original submission invalidated the finding of copyright infringement, as “without the original drawings [one] could not see if there was copyright infringement”. Dura-Mine further contended that the modified versions of the drawings, even if substantially similar to the original, lacked originality to enjoy copyright protection.
The Federal Court took the position that for the purposes of Section 42, there was no requirement for the original drawing (original in the sense of not copied or in the sense of the earliest drawing). In this case, the modified version of the original drawings contained a combination of annotations, tabulations and log of modifications, which allowed the original design to be made out and thus constituted a "true copy" which fulfilled the requirement of Section 42. Insofar as the "true copy" of work is concerned, the Federal Court maintained that a "a true and accurate representation of [the] original [work]" is sufficient, which was successfully provided by Elster Metering.

Corresponding to the above, the Federal Court turned onto Dura-Mine’s second contention and considered the applicability of copyright for subsequent revisions or modifications made to the original drawings. The Federal Court took the approach that copyright is not limited to the first or earliest work, and the documentation provided had established that Elster Metering was the owner of the copyright in the original design and entire chain of modifications, thereby similarly dismissing Dura-Mine's second argument.

This case establishes two important positions that the Federal Court has taken in respect of both statutory law (the test for "true copy") and common law (existence of copyright in revised or modified work) in the copyright realm.

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New Bill to Strengthen Enforcement Against Organised Crime

The Organised Crime Bill (the "Bill") was introduced in Parliament on 13 July 2015, and passed on 17 August 2015.

Under the Bill, an organised criminal group ("OCG") is defined as a group of three or more persons, with an objective of obtaining material or financial benefits from the facilitation or commission of any serious offence.

The list of applicable serious offences is found in the Schedule to the Bill. It includes, amongst others, the offences of counterfeiting under the Copyright Act (Cap. 63) and Trade Marks Act (Cap. 332).

The Bill will have extra-territorial coverage, meaning that it has bite beyond the shores of Singapore. Persons covered by the Bill include those physically in Singapore who are involved in OCG-related activities; and those who are not physically present in Singapore, but who are involved in OCG-related activities that result in harm in Singapore.

The key provisions of the Bill include:

- Criminalisation of OCG-related activities - Offences under the Bill include
becoming a member of an OCG; recruiting members to an OCG; instructing a person to commit an offence for an OCG; and providing aid to commit an offence for an OCG. These provisions will capture organised crime at all levels, from the masterminds to the members of OCGs who carry out the commission of offences.

The penalties vary according to the offence committed. For instance, being a member of an OCG attracts a fine of up to S$100,000 (about USD 69,800) and/or imprisonment for up to 5 years, while a person who instructs the commission of an offence for an OCG may be subject to enhanced penalties of the underlying offence.

- **Preventive Orders to constrain OCG-related activities** - Three Preventive Orders are provided for under the Bill:
  
  o Organised Crime Prevention Order, which restricts an individual’s activities, whether or not he is convicted, to prevent, restrict or disrupt any involvement of the person in OCG-related offences;
  
  o Financial Reporting Order, which requires individuals involved in OCGs to furnish financial reports, whether or not he is convicted; and
  
  o Disqualification Order, which prevents individuals from acting as company directors or from taking part in the management of a company, on a conviction basis.

  The Organised Crime Prevention Order and Financial Reporting Order are subject to important safeguards. For example, applications for such orders made on a non-conviction basis must be heard by the High Court.

- **Civil confiscation regime** - A non-conviction based regime similar to the conviction-based regime under the *Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act* (Cap. 65A) will be introduced. This will allow a person’s benefits from OCG-related activities to be confiscated, if it is proven on a balance of probabilities that the person has carried out such activities.

- **Greater powers for law enforcement agencies** - Law enforcement agencies such as the Singapore Police Force and Central Narcotics Bureau will have enhanced investigative powers under the Bill. This includes the power to obtain information from the Comptroller of Income Tax and the Comptroller of Goods and Services Tax.

**Comments**

Counterfeiting is one of the OCG-related activities that the Bill targets. The Bill allows for stronger measures to be taken against counterfeiting syndicates, even those located outside of Singapore, as long as their activities affect Singapore.

All prosecutions under the Bill would have to be instituted by the Public Prosecutor. Although brand owners do not have any new private rights of action under the Bill, the expanded powers of law enforcement agencies and criminalisation of OCG-related counterfeiting activities would still be useful for brand owners who, apart from or in addition to civil actions for counterfeiting, may
lodge a police report so that criminal action may be taken against counterfeiting syndicates.

The Bill may be accessed here.

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Court of Appeal Upholds Decision to Invalidate "Manchester" Cigarette Mark

The Court of Appeal in Global Tobacco Manufacturers (International) Sdn Bhd v Jamal Abdulnaser Mahmoud Al Mahamid [2015] SGCA 51 issued a short judgment dismissing the appeal against the order of the High Court judge to invalidate (the "Appellant's Mark"), of which the Appellant was the registered proprietor, upon the application of the Respondent, who was the registered proprietor of (the "Respondent's Mark").

Both the Appellant's Mark and the Respondent's Mark were registered in respect of Class 34 goods, comprising cigarettes and related products. At the High Court, the judge found that both marks were visually, aurally and conceptually similar, and had been applied in respect of identical goods. On the issue of likelihood of confusion, the judge held that the relevant consumer of cigarettes would be confused, since the two marks are in respect of identical goods, and there was a high degree of similarity between the marks.

At the Court of Appeal, it was clear that the case turned on the question of likelihood of confusion. In this regard, the Court made 2 observations. Firstly, the greater the degree of similarity between the goods and the marks, the more readily the likelihood of confusion will be found. Secondly, evidence of actual confusion is not necessary, but is helpful to the action.

The Appellant argued that since the Respondent was seeking to invalidate a mark that had been duly registered, it bore the burden of showing to a convincing degree the likelihood of confusion. In doing so, the Appellant relied on the fact that the Respondent had not led evidence of actual confusion in the proceedings below.

The Court reiterated that evidence of actual confusion is not a necessary element of the cause of action. On the facts, the Court was satisfied that there was sufficient material on which the High Court judge could fairly infer the existence of
a sufficient likelihood of confusion, and accordingly dismissed the appeal.

After noting that no local decision had addressed this issue, the question of the approach to be taken in respect of the burden of proof in invalidation proceedings was left open by the Court. It remains to be seen whether an applicant in an invalidation action would be held to a higher standard than an opponent in opposition proceedings.

ANGELINE LEE
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Angry Birds-Inspired Snacks – Rovio Entertainment v Kimanis Food Industries

The High Court in Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd [2015] SGHC 216 was faced with an appeal from the decision of the principal assistant registrar of trade marks (the “PAR”), dismissing the opposition of Rovio Entertainment Ltd (“Rovio”) against the trade mark application of Kimanis Food Industries Sdn Bhd (“Kimanis”).

Facts

Rovio is a software development and entertainment company, with its most successful product being the mobile phone game franchise Angry Birds. Rovio is the registered proprietor of the red bird mark (the “Red Bird Mark”) and ANGRY BIRDS word mark (the “Angry Birds Word Mark”) in many classes, including Class 30. Additionally, Rovio asserted that it had rights in a stylised version of the ANGRY BIRDS word mark (the “Fancy Word Mark”). Kimanis had applied to apply a composite mark (the “Angry Bite Mark”) in Class 30 for food and snacks.

Trade Mark Infringement – s 8(2)(b)

Under section 8(2)(b) of the Trade Marks Act (Cap. 332) (the “TMA”), a trade mark shall not be registered if it is similar to an earlier trade mark; is to be registered for goods similar to those which the earlier trade mark protects; and if there exists a likelihood of confusion arising from the two similarities.

In deciding whether the Red Bird Mark and the Angry Birds Word Mark can be treated as a composite registered trade mark for the purposes of comparison with the Angry Bite Mark, the judge found that the earlier mark must be a single registered mark. Allowing a trade mark proprietor to claim protection over all the permutations of its registered marks would, in the opinion of the judge, be granting excessive protection of a wholly uncertain scope. If the trader wanted to protect the composite mark, he had the option of registering the composite mark at any time.

On a mark-to-mark comparison, the judge affirmed the PAR’s finding that the
Angry Bite Mark is not similar to either the Angry Birds Word Mark or the Red Bird Mark and held that opposition on the ground of trade mark infringement under section 8(2)(b) of the TMA failed.

Well Known Marks – s 8(4)(b)(i)

Based on the parties’ submissions, the judge found that there was no reason to disturb the PAR’s findings that the Angry Birds Word Mark and Red Bird Mark were "well known in Singapore". Interestingly, the judge observed that it was not immediately clear who constituted the "relevant sector of the public" for the purposes of determining if the marks were well known. Even so, he noted that in order for an earlier trade mark to be well known in Singapore, it was not necessary to show that the trade mark was well known to a particular and well-defined sector of the public. An earlier trade mark may be well known in Singapore even if it is difficult to define with precision the sector or class of the public among which it is well known.

However, given that there was no similarity between the marks, and no likelihood of confusion, opposition on the ground of well known marks under section 8(4)(b)(i) of the TMA likewise failed.

Passing Off – s 8(7)(a)

Section 8(7)(a) of the TMA prevents the registration of marks that are "liable to be prevented" by the law of passing off. It is trite law that to establish a claim in passing off, one would have to fulfill the 3 limbs of goodwill, misrepresentation and damage. The judge noted that it would be incumbent on an opponent to adduce evidence on matters such as (i) the nature and extent of the goodwill and reputation relied upon; (ii) the closeness or otherwise of the respective fields of activity; (iii) the similarity of marks; (iv) the manner in which the applicant has used the mark (if any); (v) the manner in which the particular trade is carried out; (vi) the class of persons whom the applicant mark is likely to be deceived; and (vii) the likely damage the opponent would suffer.

On the issue of goodwill, the judge observed that the existence of goodwill is normally established with evidence of actual sales figures in Singapore; and marketing and advertising efforts in Singapore. On the facts, the judge found that Rovio had established goodwill in Singapore in the Red Bird Mark and the Angry Birds Word Mark. However, the passing off ground failed on misrepresentation, for the reason of dissimilarity of the marks.

First, the fact that the Angry Bite Mark was "inspired" by "Angry Birds" was not in itself evidence of intention to deceive. Even if there was an intention to deceive, the judge noted that this does not mean that the court is bound to find misrepresentation and confusion, although the burden on the plaintiff would be much lessened. Second, although passing off does not require that the parties are competing in the same or a common field of activity, this would be a relevant factor in deciding whether any misrepresentation is likely to cause confusion. Generally, if a defendant used a similar mark in a wholly unrelated field, this would lessen the likelihood of confusion and damage.

Copyright – s 8(7)(b)

Finally, under section 8(7)(b) of the TMA, Rovio submitted that the use of the Angry Bird Mark was liable to be prevented by virtue of the law of copyright.
Affirming the PAR's finding, he held that the fact that the designer of the Angry Bite Mark may have been inspired by Rovio's Angry Birds brand does not mean that copying has taken place. He further emphasised the expression and idea dichotomy in copyright, and found that on the facts, the expression of the Red Bird Mark and the Fancy Word Mark had not been copied.

Comments

It is clear from the case that even if a subsequent mark may have been inspired by an earlier mark, it is still necessary for the Court to consider the mark as registered and the subsequent application mark to determine if there is any likelihood of confusion. The case also highlights the need for mark owners to consider the filing of composite marks, even when individual elements are already protected, as there will be occasions where the protection granted by such composite marks will be greater than the sum of its parts.

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Star Devices on Footwear – Southern Rubber Works v Converse

Southern Rubber Works Sdn Bhd (the "Applicants") had applied to register the trade mark (the "Application Mark") in Class 25 for goods including footwear, articles of clothing and headwear, on 10 March 2007. After publication, Converse Inc (the "Opponents") filed their Notice of Opposition to oppose the registration of the Application Mark.

Over the course of the next 8 years, the parties filed their evidence, and the case was heard before the Intellectual Property Office of Singapore's Trade Mark Registry (the "Registrar") in March 2015.

Facts

The Opponents claimed to be an iconic American athletic shoe brand with a rich heritage, known for their star device, as represented in their mark (the "Opponent's Mark") which was featured prominently on all of their products. At the time of filing the Notice of Opposition, the Opponent was also the registered proprietor of various other related marks.

The Opponents sought to oppose the Applicant Mark on the basis of sections 8(2)(b), 8(7)(a) and 7(6) of the TMA.

Decision

Applying the step-by-step approach for oppositions under section 8(2)(b) of the TMA, the Registrar found that on the similarity of marks, the marks were visually similar but aurally and conceptually different.

On the issue of similarity of goods, the Registrar found that it was clear that articles of clothing are similar to footwear and headgear as they are usually sold
through the same trade channels and consumers consider it to be usual for such goods to be sold under the same trade mark and under one roof.

At the final step, the Registrar found that there was no likelihood of confusion. The Registrar held that although there was visual similarity between the marks, and similarity in goods, this was insufficient to give rise to a likelihood of confusion. The marks were aurally and conceptually different. Looking at the trade mark register, the Registrar noted that there were various other marks containing the star device on the register. Therefore, consumers are used to seeing different forms of star devices in marks and would be able to differentiate between the "Jazz Star" and "Converse All Star" marks.

Additionally, the Registrar noted that shoes are something that the general consumer would pick up to try before buying, and not purchase on a whim or in a hurry. Therefore, even if the consumer were to associate the star device with the Opponents, it would be immediately apparent upon picking up a pair of the Applicant's shoes that the words “Jazz Star” are very different and distinctive from "Converse".

Therefore, the ground of opposition on s 8(2)(b) of the TMA failed.

Next, the Registrar turned to consider the ground of opposition under s 8(7) of the TMA, for passing off. This ground also failed as the elements of misrepresentation and actual damage were held to be not present.

The Registrar then highlighted that an allegation of bad faith under section 7(6) TMA was not to be made lightly and had to be sufficiently supported by evidence. As the Opponents were unable to provide any concrete evidence beyond the sole assertion of their fame vis-à-vis the star logo, the ground of opposition under section 7(6) TMA failed.

In conclusion, the Registrar held the opposition to have failed on all counts. Accordingly, the mark was allowed to proceed to registration.

Comments

Whilst the two marks in question are clearly visually similar, the difference in aural and conceptual similarity was sufficient to tilt the balance and lead to a finding of a lack of overall similarity on the marks.

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Assessment of Statutory Damages for Trade Mark Infringement – Louis Vuitton Malletier v Cuffz (Singapore) Pte Ltd

Facts

The Plaintiff is the owner of the brand, Louis Vuitton ("LV"), and it manufactures and offers for sale a wide variety of luxury and fashion goods, including leather products such as wallets, belts, footwear and handbags.

The Defendant is a company incorporated in Singapore, that operated a retail
The Plaintiff had engaged a private investigator, who procured a test purchase of a vertical bi-fold wallet bearing a mark identical or similar to the Plaintiff's registered trade mark (the "Epi Mark").

On the basis of this test purchase, the Plaintiff obtained and executed a search warrant against the Defendant's outlet and seized two more wallets bearing a mark identical or similar to the Epi Mark.

Following that, the Plaintiff filed proceedings against the Defendant. During the course of proceedings, the Defendant was evasive and uncooperative, and failed to appear after the initial stages.

Pursuant to the hearing for summary judgment, the judge found that the Defendant had infringed the Plaintiff's Epi Mark contrary to section 27(1) of the TMA, and that the Defendant's use of a sign identical to the Epi Mark in the course of trade was a counterfeit trade mark under section 3(6) of the TMA, thereby entitling the Plaintiff to claim statutory damages pursuant to section 31(5)(c) of the TMA.

Assessment of Damages

The Plaintiff sought the maximum sum of statutory damages permissible under section 31(5)(c) of the TMA, being S$100,000. The Defendant was not present at the hearing.

The Registrar considered the factors set out in the TMA in determining the quantum of statutory damages to be awarded.

Firstly, he found that since the evidence pointed to only 3 infringing items, it was difficult to infer the full quantity of infringing items that had been made available for sale as no evidence of this was adduced. However, he also held that the quantity of infringing items alone was not determinant of the flagrancy of the infringement. Other factors to consider included the profile of the infringer as well as the nature and the purpose of the infringement.

Although the Defendant did not trade in counterfeit LV goods alone, the nature of the Defendant's infringement was clearly deliberate, as evidenced by the presence of its brand logo on the seized goods. Its purpose was clearly commercial and calculated to enable it to gain brand prestige through association with the Plaintiff's Epi Mark.

Therefore, the Registrar found the infringement to be flagrant.

Secondly, the Registrar considered the loss suffered or is likely to be suffered by the Plaintiff as a result of the Defendant's infringement. He considered that the loss of goodwill and reputation likely to be suffered by the Plaintiff would be relevant to weigh in this factor.

Thirdly, the Registrar found that the Defendant had accrued benefits as a result of
its infringement, by positioning itself as a mid-tier up-and-coming brand which retailed luxury goods that were close substitutes of the Plaintiff's for a fraction of the price. The Registrar noted that the Defendant was essentially free-riding on the resources spent by the Plaintiff in designing and marketing the Epi Mark.

Fourthly, deterrence weighed heavily as a factor, as the Plaintiff is a leading global luxury company, and the Epi Mark ranks as one of its top 5 brands that has been infringed in numerous jurisdictions.

Fifthly, the Registrar also considered the Defendant's conduct to be demonstrating a lack of respect for the intellectual property rights of the Plaintiff's Epi Mark, and of the legal process. This was also a factor on which the Registrar put significant weight.

In conclusion, having regard to the relevant factors and applying the principle of proportionality, the Registrar awarded S$35,000 in statutory damages.

Comments

This case highlights some of the pros and cons of the statutory damages regime for trade mark infringement. Statutory damages were helpful to the Plaintiff in that it was able to claim for losses that were difficult to prove, due to the lack of evidence and the Defendant's uncooperative behaviour. However, statutory damages cannot be awarded speculatively and the quantum would depend upon the weighing of relevant factors. In this case, the fact that the Plaintiff only had evidence of 3 infringing articles was to its detriment, as this rendered it difficult to persuade the Registrar that the Plaintiff's loss or the Defendant's benefit was far more than the price of 3 wallets. In the absence of evidence of the quantity of infringing articles, the Registrar was hard pressed to speculate the number of articles that were actually counterfeited.

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No Post-grant Amendments to Patent – Ship's Equipment Centre Bremen GmbH v Fuji Trading (Singapore) Pte Ltd and others and another Suit

Facts

In a recent decision of Ship's Equipment Centre Bremen GmbH v Fuji Trading (Singapore) Pte Ltd and others and another Suit [2015] SGHC 159, the Singapore High Court ("Court") dismissed, for the first time, an application to make post-grant amendments to a patent.

The plaintiff, a manufacturer of container lashing equipment based in Germany, is the proprietor of two Singapore patents for a couple device used to secure shipping containers commonly known as a twistlock. One of the Singapore patents (the "370 Patent") and its corresponding European patent are based on the same PCT International Application. The plaintiff commenced proceedings against the defendants, a twistlock manufacturer and its global distributors, for alleged infringement of the patents. The defendants denied any infringement of the patents and counterclaims have been filed to invalidate the patents for lack of
novelty. Subsequently, the plaintiff applied to amend the claims of their patents to which the defendants filed statements of opposition to the proposed amendments.

Decision

The issue before the Court was whether the plaintiff should be allowed to amend the 370 Patent. Whilst the Court's analysis of whether the proposed amendments met the requirements under the Patents Act ("Act") was fairly uncontroversial, what was interesting was the Court's determination of whether it should exercise its discretion to allow the amendments even though the formal requirements under the Patents Act were met.

In the present case, the Court had found that of the 9 amendments applied for by the plaintiff, 3 had complied with the requirements under the Act, i.e.

i. The 3 proposed amendments do not result in the specification disclosing additional matter which extends beyond that disclosed in the granted patent (Section 84(3)(a));

ii. The 3 proposed amendments do not extend the protection conferred by the patent (Section 84(3)(b)); and

iii. The 3 proposed amendments were clear and concise, and capable of being supported by the description (Sections 25(5)(b) and (c)).

Nevertheless, under Section 83(1) of the Act, the Court's power to allow any proposed amendment is discretionary. The defendants argued that the proposed amendments should not be allowed as:

i. The plaintiff has not disclosed all the relevant information with regard to the proposed amendment.

ii. The plaintiff has no reasonable grounds for the delay in seeking the proposed amendments.

iii. The plaintiff has sought and obtained an unfair advantage from the delay in seeking the proposed amendments.

The Court found on the facts that the plaintiff had made full disclosure of all relevant information with regard to the proposed amendment. However, the Court found that there was an undue delay on the plaintiff's part in seeking the proposed amendment with no reasonable explanation for the delay. The proposed amendments sought by the plaintiff for the 370 Patent are identical to that sought and obtained for their corresponding European patent which was subsequently found invalid during opposition proceedings at the EPO as early as 25 November 2010. The plaintiff only sought to amend the 370 Patent in December 2012.

The Court also found that the plaintiff sought to obtain an unfair advantage by litigating on the basis of a patent which it knew had a risk of being invalidated in light of the prior art cited against it. The proprietor knew the amendment to the 370 Patent was necessary to avoid prior art, but delayed in amending their patent for two years. Further, despite recognising that there may be a risk that the 370 Patent, like the corresponding European patent, may be found to be invalid, the plaintiff commenced infringement proceedings against the defendants.

For the reasons set out above, the Court dismissed the plaintiff's application to amend the patents in its entirety, even though three of the proposed amendments had satisfied the grounds for amendment under the Act. The Court considered the
actions of the plaintiff to be “covetous conduct” and held that the exercise of the Court's discretion in dismissing the plaintiff's conduct may be extended "to punish patentees for the unreasonableness of their conduct even when no advantage has in fact been gained".

Comments
This decision is a significant one, being the first High Court decision to dismiss an application for post-grant amendments. Patentees seeking to make post-grant amendments should take careful heed of the factors considered by the Court when exercising its discretion to allow or dismiss the proposed amendments. More importantly, patentees must act expeditiously and in good faith in taking out an application to amend their patent claims upon discovering relevant prior art. Otherwise, the Court will nonetheless dismiss the application to amend the patent even if all requirements under the Act have been met.

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Public consultation on proposed change to the Registered Designs Regime

In light of technological advances and with a view to provide business certainty, the Singapore Ministry of Law ("MinLaw") and the Intellectual Property Office of Singapore ("IPOS") have published a consultation paper proposing several changes to the Singapore's registered designs regime in five key areas:

(i) Scope of protection

Proposals are being considered to expand the scope of definition of what would constitute a "design" to provide for a greater range of protectable designs.

(ii) Substantive examination

Given that the current system of design registration in Singapore is formalities-based, proposals are being considered to implement substantive examination to enhance the quality and enforceability of registered designs.

(iii) Formalities and operation issues

A proposal has been put forth to increase the grace period for statutory exceptions to prejudicial disclosure from the current 6 months to 12 months.

(iv) Infringement and enforcement

It was recognised that there was a low level of enforcement of registered designs and this was attributed to a low level of awareness. Proposals have thus been put forth to provide guidance notes on the Registered Designs regime.

(v) Utility model protection

At present, Singapore does not provide utility model protection for sub-patentable
inventions which are not covered by design protection due to their functional nature, but do not possess the level of innovativeness required for patent protection. Proposals have been considered in relation to the introduction of a form of utility model protection, although the preliminary indication is that such a form of protection is unlikely to be introduced.

The full details on the proposed changes to the registered designs regime can be found in the Public Consultation Paper on the Registered Designs at: http://www.ipos.gov.sg/AboutIP/IPLegislation/PublicConsultations.aspx.

This consultation closes on 7 December 2015. This provides a good opportunity for companies to shape the proposed revisions and to raise any issues and concerns which they face. If you are interested in providing feedback to one or more of the proposed changes, please let us know and we would be happy to assist.

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The Advertising Standards Authority of Singapore has issued its draft Digital and Social Media Advertising Guidelines for public consultation

The Advertising Standards Authority of Singapore (“ASAS”) has issued its draft Digital and Social Media Advertising Guidelines for public consultation (the “Guidelines”).
*Please refer to our previous alert in March 2015 on the Guidelines. The Guidelines seek to establish the required levels of disclosure in relation to sponsored messages on blogs and social media channels such as Facebook and Twitter. Marketers will be required to make sponsored messages distinguishable from personal opinions and editorial content in their posts, and disclose any commercial relationships. In addition, the Guidelines will require marketers to develop community guidelines, be transparent about fees and the purchase process, and ensure that digital marketing communications addressed to children are suitable for them. The finalised Guidelines will be incorporated into the Singapore Code of Advertising Practice. Interested parties may submit written comments on the Guidelines to ASAS by 8 January 2016.

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