

Newsletter

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Singapore High Court grants first-ever "dynamic" site-blocking order

Facts

In April this year, the Motion Picture Association of America ("**MPAA**") successfully applied for a site-blocking order under Section 193DDA(1) of the Singapore *Copyright Act* (Cap. 63) (the "**Act**"), for the Defendant network service providers ("**NSPs**") to take reasonable steps to disable access to Flagrantly Infringing Online Locations ("**FIOLs**") consisting of 53 piracy websites carrying various movies and TV shows.

MPAA represents the interests of the Plaintiff studios, being Paramount Pictures Corporation, Columbia Pictures Industries Inc., Disney Enterprises, Inc., Twentieth Century Fox Film Corporation, Universal City Studios Productions and Warner Bros. Entertainment Inc.

On 12 July 2018, the High Court granted further orders permitting the blocking of additional means of access that lead to the same FIOLs already ordered blocked.

In this regard, the Plaintiffs are to notify the NSPs of any additional domain names, Uniform Resource Locators and Internet Protocol Addresses via which a FIOL already ordered blocked is accessible, and provide an affidavit stating the reasons why the FIOL accessible from these additional means is the same FIOL already ordered blocked.

The Plaintiffs therefore will not have to make separate applications to the High Court in respect of FIOLs which are made available via alternative means of access.

Comments

The High Court's ruling marks a new dawn for the nascent site-blocking regime in Singapore, given that "dynamic" injunctions of this nature have not hitherto been granted in this jurisdiction.

In light of the increasing ease and frequency at which FIOL owners may change the means of accessing infringing content in order to evade enforcement actions, the outcome of the application clearly signifies an important step forward for rights holders, who may now utilise an efficient mechanism to counteract circumventive actions.

Ultimately, the ruling sets a useful precedent which one hopes will help to facilitate the granting of comprehensive and practical site-blocking orders in future.

Baker & McKenzie.Wong & Leow acted for the Plaintiffs in this matter.





What amounts to unauthorised use of confidential information - *Adinop Co Ltd v Rovithai Ltd and another* [2018] SGHC 129

Facts

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Adinop Co Ltd (the "**Plaintiff**") was the distributor of ingredient products manufactured by Rovithai Limited (the "**1st Defendant**"). They enjoyed a long commercial relationship during which they shared the common interest and goal of supplying ingredient products which were manufactured by the 1st Defendant.

In 2013, after more than a decade of working together, the Plaintiff and the 1st Defendant entered into a confidentiality agreement (the "**Confidentiality Agreement**").

In 2014, the Plaintiff prepared for the 1st Defendant a list of key customers who bought large quantities of the 1st Defendant's ingredient products from the Plaintiff (the "**Key Customers List**"). The list was requested by the 1st Defendant for "reference purposes", albeit in connection with assisting the Plaintiff to develop the Thai market for the 1st Defendant's products.

Notably, the Key Customers List contained information on the names of key customers, the types of products bought and the quantities ordered, but did not set out the contact details or addresses of the customers listed.

Later in 2014, the 1st Defendant terminated the distributorship arrangement with the Plaintiff. After which, the Defendant issued a notice (the "**Notice**") to key customers to inform them of the change in distributorship from the Plaintiff to another distributor.

Following the Notice, the Plaintiff commenced an action for breach of confidence by the 1st Defendant and DSM Singapore Industrial Pte Ltd, a related company which had sourced the ingredient products (the "**2nd Defendant**") (collectively, "**the Defendants**").

In particular, the Plaintiff argued that the Key Customers List constituted confidential information by virtue of the Confidentiality Agreement and the trust and longstanding relationship between the parties. The Plaintiff further argued the 1st Defendant had used the Key Customers List when issuing the Notice to customers, which amounted to unauthorised use of confidential information by the Defendants.

Decision

The High Court Judge (the "**Judge**") found that the Key Customers List constituted confidential information. However, the Plaintiff's claim failed as the Defendants' action did not amount to an *unauthorised* use of the confidential information.

- 1) Whether the Key Customers List constituted confidential information



The Judge held that even though many component items of the Key Customers List were available from public sources or the 1st Defendant's sources, the customer information contained in the Key Customers List as a whole was not readily available to the public, and contained useful information with commercial value that provided immediate utility to the 1st Defendant.

The Judge noted that even if the 1st Defendant had been able to construct its own version of the list (as it claimed it had), it would have taken significant time and effort, and would likely not be as comprehensive as the Key Customers List.

As such, the Key Customers List *as a whole* possessed the necessary quality of confidence to constitute confidential information. The Judge emphasised that "*the confidentiality resides in the collation of information as a whole*" i.e the names of the key customers, the types and quantity of ingredients ordered.

2) Whether the Defendants' actions amounted to an unauthorised use of the confidential information

The Judge held that the Defendants' actions did not amount to an unauthorised use of the confidential information for the following reasons:

- First, the question as to whether the Defendants made any unauthorised *use* of the confidential information required the Court to bear in mind the nature, scope and reason why the Key Customers information was confidential. The Judge found that the Key Customer's Information was only confidential when it was used as a whole (i.e. all of the information had to be used). In contrast, the 1st Defendant had only used the names of customers in the Notice.
- Second, the background circumstances were important in understanding whether the use was unauthorised. The Judge considered that in situations where the parties had a longstanding manufacturer-distributor relationship, such as in the present case, the manufacturer would have a legitimate interest in wanting to inform its customers of the change in distributorship. As such, the Judge held that the 1st Defendant was impliedly authorised to use its knowledge of the key customers from the list to inform them of the termination of the distributorship.
- Further, under the Confidentiality Agreement, the Plaintiff and the Defendants had intended for any confidential information to be used only for the purposes of "the distribution agreement". The Judge found that the use of the customer names (which were found in the Key Customers List) in the Notice for the purpose of notifying them of a change of distributorship was in connection with and fell within the ambit of the purpose of the distribution arrangement.

Comments

This decision is significant as it reflects the nuanced approach which the Court will adopt in determining whether there has been an unauthorised use of confidential information.



Therefore, to ensure proper protection of confidential information, confidentiality agreements / clauses should be properly drafted and tailored to the specific needs of the parties.

This includes clearly designating what information is confidential, defining sufficiently comprehensive purposes for which the confidential information can be used for and expressly providing for situations where the confidential information cannot be used.

Registrar clarifies evidentiary issues in relation to showing genuine use - *Bigfoot Internet Ventures Pte Ltd v Athleta (ITM) Inc.* [2018] SGIPOS 10

Facts

Athleta (ITM) Inc (the "**Proprietors**") are the Registered Proprietors of the "ATHLETA" trade mark (the "**Subject Mark**"), registered in Class 25 in respect of "Clothing, footwear, headgear and clothing accessories" since 9 June 2009. The Proprietors were acquired and became a wholly-owned subsidiary of Gap Inc, with the "ATHLETA" brand incorporated into Gap's family of brands. Their goods are mainly sold online following the acquisition by Gap Inc, and they have no brick-and-mortar retail outlets in Singapore.

Bigfoot Ventures Pte Ltd (the "**Applicants**") applied for revocation of the Subject Mark on the grounds of non-use, relying on section 22(1)(a) and 22(1)(b) of the Trade Marks Act (Cap 332) ("**TMA**").

Decision

The revocation under Section 22(1)(a) and (b) partially succeeded in respect of "footwear", but failed in relation to clothing, headgear and clothing accessories.

In defending the registration, the Proprietors had to show *genuine use* of their registered trade mark by them or with their consent in relation to the relevant specifications, in Singapore, within the relevant time period(s). The relevant time periods were the 5 - year period following the completion of the registration as well as the 5 - year period prior to the filing of the application for revocation (collectively the "**Relevant Time Periods**").

To show genuine use, the Proprietors had adduced evidence of the sales figures for the sale of clothing, headgear and clothing accessories under the Subject Mark as well as evidence of actual sales to customers for the Relevant Time Periods.

Examples of evidence tendered by the Proprietors were email correspondence with its customers as well as order confirmations (sent after customers make their orders).



Based on the evidence tendered, the Registrar was satisfied that the Proprietors had genuinely used the Subject Mark in Singapore on clothing, headgear and clothing accessories during the Relevant Time Periods.

Notably, in the grounds of decision, the Registrar made the following comments on certain evidentiary issues:

- 1) Whether the evidence of use must originate from an independent third party to be reliable?
- 2) Best practices when adducing printouts of websites
- 3) Whether there is any requirement for the Proprietors to have a physical presence in Singapore and whether the goods bearing the Subject Mark must be sold at a physical location in Singapore to establish genuine use?
 - 1) Whether the evidence of use must originate from an independent third party to be reliable?

In the course of submissions, the Applicants argued that the deponent of the Statutory Declarations was not an independent third party and thus the evidence tendered was of low probative value.

The Registrar rejected such an argument and highlighted that there was no such requirement that evidence must originate from an independent third party. Ultimately, all deponents are still subjected to the penalties under the Oaths and Declarations Act (Cap 211, 2001 Rev Ed).

Further, the Registrar recognized that to prove *bona fide* use of a mark, evidence such as marketing, advertising, distributorship, sales, payment, shipment and delivery are usually relevant and these information are only available to the proprietors of the trade marks. As such, the proprietors themselves would be in the best position to provide the evidence for purposes of the trade mark proceedings.

2) Best practices when adducing printouts of websites

While discussing the production of printouts Of Websites as part of the evidence in proceedings, the Registrar made important comments in relation to the production of such evidence.

First, the Registrar noted that it is best practice to produce printouts of websites as of the relevant date as opposed to producing printouts of the most current version of the website. The Registrar also suggested using digital archive tools such as the Wayback Machine.

Second, the Registrar specifically commented that where a specific website page is to be relied on, a printout of that particular page should be produced (and should be a printout from the relevant time period).



The Registrar rejected the Proprietors' arguments that its entire website has been adduced in evidence by virtue of having a few printouts from their website which were produced.

- 3) Whether there is any requirement for the Proprietors to have a physical presence in Singapore and whether the goods bearing the Subject Mark must be sold at a physical location in Singapore to establish genuine use?

The Applicants also raised the argument that the Proprietors had failed to show genuine use given that they had no physical presence at all in Singapore.

The Registrar also rejected such an argument and commented that the "*crux of genuine use is that it must be consistent with the essential function of a trade mark*". As such, it was sufficient in the present case that there were genuine online sales transaction between the proprietors and the customers in Singapore.

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Comments

While the decision on the revocation of the Subject Mark was non-controversial and turned on the evidence produced, the Registrar's comments are notable as it provides specific guidelines on the considerations parties should take into account whence adducing evidence.