

Love & Co Pte Ltd v The Carat Club Pte Ltd  
[2008] SGHC 158

**Case Number** : OS 225/2008

**Decision Date** : 22 September 2008

**Tribunal/Court** : High Court

**Coram** : Chan Seng Onn J

**Counsel Name(s)** : Gill Dedar Singh and Paul Teo (Drew & Napier LLC) for the plaintiff; Yew Woon Chooi and Alvin Lim (Rodyk & Davidson LLP) for the defendant

**Parties** : Love & Co Pte Ltd — The Carat Club Pte Ltd

*Trade Marks and Trade Names – Grounds for refusal of registration – Whether registered proprietor's word mark caught under the four absolute grounds for refusal of registration – Section 2 read with ss 7(1)(a), 7(1)(b), 7(1)(c) and 7(1)(d) Trade Marks Act (Cap 332, 2005 Rev Ed) – Whether registered proprietor's word mark had acquired distinctive character by virtue of usage and thus rescued by s 23(2) Trade Marks Act (Cap 332, 2005 Rev Ed)*

*Trade Marks and Trade Names – Invalidity – Grounds for declaring registered word mark invalid – Whether registered proprietor's word mark satisfied definition of "trade mark" – Whether registered proprietor's word mark capable of distinguishing – Whether registered proprietor's word mark had acquired distinctive character by the time of registration – Whether registered proprietor's word mark designated an intended purpose of jewellery per s 7(1)(c) – Whether registered proprietor's word mark customary in the current language or established practices of the trade – Section 2 read with ss 7(1)(a), 7(1)(b), 7(1)(c) and 7(1)(d) read with ss 23(2) and 7(2) Trade Marks Act (Cap 332, 2005 Rev Ed)*

*Trade Marks and Trade Names – Registration criteria – Whether registered proprietor's word mark capable of being graphically represented and capable of distinguishing proprietor's goods from another's – Section 2 read with s 7(1)(a) Trade Marks Act (Cap 332, 2005 Rev Ed)*

*Trade Marks and Trade Names – Revocation – Whether to revoke registered proprietor's trade mark for non-use – Burden of proving use – Glaring absence of use of registered proprietor's trade mark in pristine form which was a word mark in plain typeface – Whether sporadic use of a fanciful mark bearing same word as the former and more widespread use of another fanciful trademark with the same word embedded within it tantamount to simultaneous use of the plain word mark – Sections 22(1), 22(2) and 105 Trade Marks Act (Cap 332, 2005 Rev Ed)*

22 September 2008

Judgment reserved.

Chan Seng Onn J:

## Introduction

1 “LOVE” is the registered trade mark in Singapore (No T99/03815H) of the defendant, The Carat Club Pte Ltd. In this action, the plaintiff, Love & Co. Pte Ltd, seeks to invalidate and/or revoke the “LOVE” trade mark.

2 Since the “LOVE” trade mark has been accepted for registration and entered on the Register of Trade Marks, the plaintiff, who is now challenging the validity of the registration, has the burden of proving that the registration of the trade mark is in breach of s 7 of the Trade Marks Act (Cap 332, 2005 Rev. Ed.) (“TMA”). Section 101(c)(i) of the TMA makes it clear that the registration of a person as proprietor of a registered trade mark shall be *prima facie* evidence of the validity of the original registration in all legal proceedings relating to a registered trade mark.

## Background of the plaintiff and how the dispute arose

3 The plaintiff was incorporated recently on 4 June 2007 for the purpose of launching upmarket jewellery stores specialising in rings and wedding bands.

4 According to Mr Lim Yong Sheng ("Lim YS"), a director of the plaintiff, the plaintiff's related Malaysian company, Love & Co. Sdn Bhd, received a demand letter dated 25 October 2007 (prior to the launch of its Malaysian store on 2 November 2007 in Kuala Lumpur) from the solicitors acting for the defendant's related Malaysian company. The latter alleged both passing off and trade mark infringement by the plaintiff of its Malaysian Trade Mark No. 98003392, "the LOVE Diamond", in class 14 (registered as from 19 March 1998).

5 As the Singapore store of the plaintiff bearing the name "Love & Co" was also launched on 2 November 2007 in Raffles City, and to prevent a recurrence of what had happened in Malaysia, the plaintiff through its solicitors conducted a search on the Singapore trade mark register and discovered that the defendant owned the registration of the "LOVE" mark in class 14.

6 On 5 November 2007, the plaintiff's solicitors sent a letter of demand to the defendant asking that the defendant voluntarily cancel the "LOVE" mark from the register on the basis that the trade mark was vulnerable to revocation and invalidation under s 22 and s 23 of the TMA respectively. The defendant via its solicitors responded on 23 November 2007 refusing to do so.

7 Hence, the plaintiff took out this Originating Summons to invalidate and/or revoke the defendant's registered "LOVE" trade mark.

## Background of the defendant and its registered trade marks

8 The defendant was incorporated on 15 May 1997. It has an outlet selling jewellery located at 15 Emerald Hill Road, which was opened in 2002. The defendant has a sister company in Malaysia, The Carat Club Sdn Bhd, with three jewellery outlets in Kuala Lumpur. The defendant and its sister company are known by the name "The Carat Club".

9 Mr Chan Boon Yong ("Chan BY"), a director of the defendant, averred in his affidavit that The Carat Club conceptualised the idea of having its own branded diamonds in the early nineties, which led to the creation of "the LOVE Diamond." On 24 March 1998, the defendant filed and registered its first trade mark for "the LOVE Diamond" under Singapore registration T98/02626A in respect of "Diamonds in Class 14" as shown below:

**[LawNet Admin Note: Image 1 is viewable only to [LawNet](#) subscribers via the PDF in the Case View Tools.]**

(Hereafter referred to as "the LOVE Diamond" mark.)

10 This registered trade mark remains valid and subsisting and is almost identical with the registered trade mark "the LOVE Diamond" of the defendant's sister company in many countries including Malaysia.

11 Approximately 13 months after the registration of "the LOVE Diamond" mark, the defendant successfully registered the "LOVE" mark on 19 April 1999 in respect of jewellery, precious stones (including diamonds) and precious metals in Class 14. Unlike the registration of "the LOVE Diamond" mark which came attached with the condition that the mark gave no right to *"the exclusive use of*

*the word "Diamond" and the device of the diamond"*, there was no condition whatsoever attached by the Registrar of Trade Marks to the registration of the "LOVE" mark, which is a simple word mark comprising of four capital letters without any motifs, intricate design or modification to any of the constituent letters as seen below:-

## LOVE

(Hereafter referred to as the simple "LOVE" mark.)

12 In contrast with the simple "LOVE" mark, the rather fanciful "the LOVE Diamond" mark, with the intricate motif design for the 'O' and the attractive arrangement of the words, is unique and distinctive as a logo and word mark. It is thus not surprising that the defendant's sister company managed to register this trade mark in many countries, including Hong Kong, Taiwan, Indonesia, Macau, Europe, Australia, New Zealand, Canada, Norway, United Arab Emirates, Monaco, Switzerland, Russia and Malaysia. But the same cannot be said of the simple "LOVE" mark, which the defendant has not registered in any other country except Singapore. There is no evidence as to whether the defendant simply did not make any effort to apply for registration of the simple "LOVE" mark in other countries or whether the defendant had in fact applied for registration in other countries but was unsuccessful. The defendant offered no explanation as to why the simple "LOVE" mark was not also registered elsewhere.

13 According to Chan BY, the registration of the simple "LOVE" mark in capital letters was to allow the defendant flexibility in how it would depict the actual mark on pieces of jewellery, some of which were very small and would not allow the use of "the LOVE Diamond" mark because of its size. It was also to give the defendant, as the registered proprietor of the simple "LOVE" mark, protection for the use of that mark in all fonts and all manner of representation of the word mark, whether in logo form or in the form of a mere word.

### **Evidence of purported use of the simple "LOVE" mark**

14 Chan BY exhibited in his affidavit copies of advertising and promotional materials and product catalogues to show that the defendant had continuously promoted and used "the LOVE Diamond" and the simple "LOVE" marks in respect of the goods for which they were registered. These materials included The Carat Club's own "Glitterati" magazine, advertisements on "Blissful Brides" magazine, "Solitaire" magazine and "Female Brides" magazine. Also attached were The Carat Club's brochures, product catalogues, postcards, corporate gifts such as compact discs, the defendant's Singapore website at [www.thelovediamond.info](http://www.thelovediamond.info) and advertising materials in conjunction with an advertising agreement between The Carat Club and DBS Bank in 2006 to show purported use of the simple "LOVE" mark.

15 I note, however, that the word "LOVE" (with some motif design or a representation of a diamond filling up the centre of the capital letter "O" or in substitution of the capital letter "O") has been prominently inscribed on several jewellery pieces shown in these advertising and promotional materials, which in my view does make these jewellery pieces look quite distinctive and attractive in their design. One of the defendant's advertisements also shows the word "LOVE" (again with the motif design replacing the capital letter "O") prominently inscribed on two of its jewellery boxes. Instead of evidencing use of the simple "LOVE" mark as registered, the evidence appears to show the defendant's use of a different decorative word mark as shown below which resembles its registered simple "LOVE" mark:

**[LawNet Admin Note: Image 2 is viewable only to [LawNet](#) subscribers via the PDF in the Case View Tools.]**

(Hereafter referred to as the decorative "LOVE" mark to distinguish it from the simple "LOVE" mark, which is a registered trade mark of the defendant.)

16 Chan BY also attached four certificates issued by the International Gemological Institute showing that the words "THE LOVE DIAMOND" have been laser inscribed on the girdle of each of the four diamonds. This in my view shows trade mark use of "the LOVE Diamond" mark rather than trade mark use of the simple "LOVE" mark *per se* as averred by the defendant. I note also with interest that Lim YS had exhibited, at p 32 of his affidavit, a Straits Times report on 24 April 1996 stating that, during the Great Singapore Sale from 28 June to July 28, Larry Jewelry would be presenting its Lazare Love Diamond, created by jewellers Lazare Kaplan, which bore laser inscriptions of an identification number, the Lazare logo and the word "**Love**". Instead of finding the simple "LOVE" mark inscribed on any of the defendant's diamonds to signify that they originate only from the defendant, I find other jewellers inscribing "Love" on their diamonds, if indeed the newspaper reports are true.

17 The defendant could not provide the sales turnover for its diamonds and jewellery bearing the simple "LOVE" mark as it only maintained records for its sales turnover of its diamonds and jewellery bearing *both* marks. The sales turnover for the years 2002 to 2007 are set out below:

Year	Sales Turnover
2002	\$ 1,930.66
2003	\$ 91,653.17
2004	\$57,831.39
2005	\$165,919.79
2006	\$264,673.56
2007	\$184,842.65

18 As with the evidence of the defendant's sales turnover, the evidence of its advertising expenditure for the Singapore market is again unhelpful because the defendant could not provide a breakdown of the amount spent exclusively on advertisements for the "LOVE" mark but only that for **both** marks as set out below:

Year	Amount
2003	\$6,000
2004	\$4,547
2005	\$5,800
2006	\$5,320
2007	\$1,500

19 According to the defendant, its marketing strategy in Singapore focuses on direct marketing by making phone calls and distributing direct mail (in particular The Carat Club's own "Glitteratti" magazine) to customers. Since the year 2006, the Carat Club has spent about RM 1,000,000 in publishing and distributing copies of 6 issues of the "Glitteratti" magazine to its customers in Malaysia and Singapore.

20 From a broad survey of the evidence produced by the defendant, I can see that the promotion is predominantly for "The Carat Club" and "the LOVE Diamond" but I hardly see any promotion in relation to the simple "LOVE" mark as the defendant's trade mark or as a badge of origin of its goods.

### **Submissions of the defendant**

21 Counsel for the defendant submits, *inter alia*, that the simple "LOVE" mark is a fanciful mark adopted by the defendant to distinguish its jewellery products from those of other traders. The word "LOVE" does not describe attributes of diamonds or jewellery, even though many jewellers may like to use the theme of love in their advertisements. The fact that diamonds and jewellery may be given as gifts as an expression of love does not mean that the word "LOVE" cannot distinguish jewellery of one store from that of another.

22 No opposition was filed by anyone against the defendant's trade mark application for the "the LOVE Diamond" logo mark or the simple "LOVE" mark. Counsel submits that by reason of the continued use of both marks by the defendant, the marks are associated with and are distinctive of the defendant.

### **Submissions of the plaintiff**

23 Counsel for the plaintiff submits that the word "LOVE" by itself cannot distinguish jewellery of one store from another. Jewellery is often purchased to express love and is closely associated with the idea of love. "LOVE" as a word and an idea may thus well be used synonymously with jewellery. Due to this close association, jewellery stores often tout their goods as the most suitable expressions of love, with jewellery pieces and diamonds often used to represent, signify or express love and romance. The word "LOVE" has thus been commonly used in the jewellery trade well before the defendant registered its simple "LOVE" mark.

24 Lim YS exhibited in his affidavit some examples of the manner in which various jewellery stores in Singapore, both before and after the date of application for registration of the simple "LOVE" mark, have used the word "LOVE" to describe and market their jewellery pieces and their jewellery stores:

- (a) "Heng Heng Platinum Diamond Rings – A Celebration of Love"
- (b) "Love is truly everlasting / Like these glittering / Diamond rings"
- (c) "18K Diamond Love Pendant"; "A Diamond of Love"; "Chance of Love, Diamond"
- (d) "The Link of Love – Diamonds have long been associated with love. .... TianPo has incorporated this symbol of love into its latest designs of wedding bands"
- (e) "Rosella diamond is the ultimate symbol of love"
- (f) "Love my Love N2 White gold Diamonds"

- (g) "Circle of Love necklace"
- (h) "Unite your eternal love... with a gold Unity Chain"
- (i) "Love Collection"
- (j) "Gracious Love Collection"
- (k) "The Puppy Love Collection"
- (l) "The 'Love in Motion' rose gold with diamonds collection"
- (m) "LOVE OF THE RINGS, the latest collection of eternity rings"; "The Colour of Purity in Love. ... Platinum Wedding Band series."
- (n) "Band of Love"; "Love Knot"
- (o) "The solitaire engagement ring Love My Love"
- (p) "The ring is the symbol of unending love."
- (q) "Ring of Love"; "The Revolving Rings of Love"; "Love Rings"; "Ponte of Love ring"; "Circle of Love"
- (r) "Love is a many –splendored ring"
- (s) "Love Generation Charm Bracelet"
- (t) "PLATINUM – THE PUREST EXPRESSION OF LOVE"
- (u) "Inspired by Love"; "Creation of Love"; "The Gift of Love"; "The Colour of Love"; "Crafted with love"
- (v) "Bridge of Love"; "Heart of Love" "Wings of Love"; "Everlasting love"; "Surge of Love"; "Love in motion"
- (w) "Fall in love with gold again"
- (x) "A Promise of Love"; "Sparks of Love"; "Symbol of Love"
- (y) "LOVE" Cartier (p 333 of Lim YS's affidavit)
- (z) "LOVE" Lee Hwa Jewellery (p 346 of Lim YS's affidavit)

25 Lim YS also exhibited Chapter 1 of "THE BOOK OF EVERLASTING LOVE" from De Beers which states that:

... diamonds have been bought by lovers throughout the ages as an eternal symbol of love. ...In Roman times, the exchange of rings constituted a public pledge of unity between a man and a woman, with the shape of the ring representing the eternity of love. During the 15th century, diamonds began to be incorporated in the ritual of betrothal – with the diamond wedding ring becoming the ultimate symbol of everlasting love, and beginning the age-old tradition that still

captivates lovers today.

26 A De Beers advertisement invites customers to use the following love letter, which encapsulates what the plaintiff is saying about the very close association between "Love" and jewellery and in this case "Diamonds":-

My darling,

Here are 8 good reasons why you should buy me a diamond ring

1. I will love and treasure you like a diamond, forever.
2. Just like a diamond, our love is beautiful and unique.
3. I want our love to keep shining, like a diamond.
4. A diamond's fire matches our passion for each other.
5. Our love is as precious as a diamond.
6. The clear sparkling purity of a diamond is like the purity of our love for each other.
7. Diamonds are the ultimate, just like our love.
8. \_\_\_\_\_

Signed: \_\_\_\_\_(Your True Love)

27 The defendant's own catchphrase is in fact "The Love Diamond – The Ultimate Expression of Love". See p 18, 23, 24 of Lim YS's affidavit.

### **Relevant provisions in the TMA**

28 At this juncture, it would be convenient to set out in full all the relevant provisions of the TMA that will be referred to hereafter in this judgment:

#### **Interpretation**

2. —(1) In this Act, unless the context otherwise requires —

.. ..

**"trade mark"** means any sign capable of being represented graphically and which is **capable of distinguishing** goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person;

#### **Absolute grounds for refusal of registration**

7. —(1) The following shall not be registered:

- (a) signs which do not satisfy the definition of a trade mark in section 2 (1);

(b) **trade marks** which are **devoid of any distinctive character**;

(c) **trade marks** which consist exclusively of signs or indications which may serve, in trade, to **designate the** kind, quality, quantity, **intended purpose**, value, geographical origin, the time of production of goods or of rendering of services, or other **characteristics of goods** or services; and

(d) **trade marks** which consist exclusively of signs or indications which have become **customary** in the current language or in the bona fide and established practices of the trade.

(2) A trade mark shall not be refused registration by virtue of subsection (1) (b), (c) or (d) if, **before** the date of application for registration, it has in fact **acquired a distinctive character as a result of the use** made of it.

### **Revocation of registration**

**22.** —(1) The registration of a trade mark may be revoked on any of the following grounds:

(a) that, within the period of 5 years following the date of completion of the registration procedure, it has not been put to **genuine use** in the course of trade in Singapore, by the proprietor or with his consent, in relation to the goods or services for which it is registered, and there are no proper reasons for non-use;

(b) that such use has been suspended for an uninterrupted period of 5 years, and there are no proper reasons for non-use;

(c) that, in consequence of acts or inactivity of the proprietor, it has become the common name in the trade for the product or service for which it is registered.

(2) For the purposes of subsection (1), use of a trade mark includes use in a form differing in elements which do not **alter the distinctive character** of the mark in the form in which it was registered, and use in Singapore includes applying the trade mark to goods or to materials for the labelling or packaging of goods in Singapore solely for export purposes.

### **Grounds for invalidity of registration**

**23.** —(1) The registration of a trade mark may be declared invalid on the ground that the trade mark was registered in breach of section 7.

(2) Where the registered trade mark was registered in breach of section 7 in that it is a trade mark referred to in subsection (1) (b), (c) or (d) of that section, it shall not be declared invalid if, **in consequence of the use which has been made of it**, it has after registration **acquired a distinctive character** in relation to the goods or services for which it is registered. [Emphasis added.]

**“LOVE” is “capable of distinguishing” the defendant’s jewellery from another trader’s under - s 7(1)(a)**

29 For the purpose of this judgment, I have used the term “mark” and “sign” interchangeably to mean the same thing. A “mark” is a “sign” and vice versa. I have distinguished a “trade mark” from a



"mark" *per se*. A "trade mark" is a mark (or a sign) that qualifies under s 2(1) of the TMA to be a "trade mark". "Trade marks" are therefore a sub-set within a group of "marks", with the other sub-set being "not trade marks", which are essentially only mere "marks" which do not qualify to be "trade marks" under s 2 (1) of the TMA. Within the sub-set of "trade marks", I have further distinguished between a "trade mark" that is registered *i.e.* a "registered trade mark"; and one that is not registered *i.e.* an "unregistered trade mark." The term "capacity-to-distinguish" has the same meaning as the term "capable of distinguishing". I have used the term "distinctive character" synonymously with "distinctiveness". Accordingly, "inherent distinctive character" is the same as "inherent distinctiveness" and "*de facto* distinctive character" is the same as "*de facto* distinctiveness". The "relevant date" is defined to mean "the date of application for registration of a trade mark". With these definitions out of the way, I will now proceed with the analysis of the law and facts.

30 Section 2(1) of the TMA prescribes that a mark must first have the following essential characteristics before it can even qualify as a trade mark. It must be a sign that is: (i) capable of being represented graphically; and (ii) capable of distinguishing the goods or services of one trader from another. The graphical representation assessed as a whole must therefore have a "**capacity-to-distinguish**", an essential and fundamental requirement reflecting the intended basic function of a trade mark. Otherwise, s 7(1)(a) will prohibit its registration without more.

31 The capability or capacity (used interchangeably) of a mark to distinguish the goods or services in a particular trade must not be examined in isolation but in relation to the specific goods or services and with regard to the facts and the market environment as they exist at the relevant date.

32 Marks or signs which satisfy the requirement in s 2 are trade marks. These trade marks fall into three distinct categories for the purpose of this analysis: (a) Immediately registrable trade marks with distinctive character in the form of inherent distinctiveness; (b) Immediately registrable trade marks with distinctive character in the form of *de facto* distinctiveness; or (c) Not immediately registrable trade marks because they have not attained a distinctive character. Trade marks in category (c) are therefore registrable only after they have acquired a distinctive character through use. For simplicity, they can be referred to as "**potentially registrable trade marks**". As use of these "potentially registrable trade marks" become more extensive, intensive and prolonged, such "potentially registrable trade marks" will over time gradually develop an "**increasing ability to distinguish**" the goods and services of the trader from the others in the market place and environment in which such goods are dealt with and where such services are provided by the trader in question. The practical effect of the increasing use over a longer and longer period of time results in the "potentially registrable trade mark" becoming more and more well known to a larger and larger number of consumers as being the trade mark identifying only that particular trader, until a definite point is reached when the "potentially registrable trade mark" can be said to have attained or acquired a certain status, that of a "distinctive character" in the form of *de facto* distinctiveness". At this stage, such a "potentially registrable trade mark" becomes an "immediately registrable trade mark" with a "*de facto* distinctive character". In other words, the "potentially registrable trade mark" has now moved from category (c) into category (b) because of its "acquired distinctive character" through use.

33 An "immediately registrable trade mark" must have a "distinctive character" status and it is immediately capable of distinguishing the goods or services of a trader from those of other traders, in the sense that it can immediately function as a clear badge of origin of that trader, unequivocally identifying, designating and differentiating the goods or services of that trader from those of the others in the relevant market place and environment, when viewed from the eyes of the hypothetical average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect (the "**average discerning consumer**"). The trade mark in question must be viewed as a whole when assessing whether or not it has a distinctive character

to immediately function as a badge of origin because the average discerning consumer will not normally dissect a trade mark into its constituent parts to analyse them but he will generally view the trade mark as a whole.

34 I shall now elaborate further on the characteristics of each of the above categories of trade marks.

3 5 **Category (a):** The distinctive character of a trade mark in category (a) is a distinctiveness that arises from the inherent nature, features and characteristics of the mark, absent consideration of any use by the promoter of the mark in relation to his particular goods or services. Such a trade mark with an **"inherent distinctive character"** can immediately and readily identify or distinguish the trader's goods or services in question as originating from that trader and from no other undertaking or trade source. It is not descriptive of any one of the characteristics of the goods or services nor is it generic in the language or established practices of the trade. Needless to say, such a trade mark having an inherent distinctive character is not "devoid of any distinctive character" as provided for in s 7(1)(b). A trade mark possessing an inherent distinctive character conveys the trade origin message immediately when first encountered even before the public is educated that it is to be used as a trade mark: Kerly's Law of Trade Marks and Trade Names (Sweet & Maxwell, 2005, 14th Ed) ("Kerly") at [8-035, 8-036]. It does not mean that with actual use, promotion and education, the overall distinctive character of an inherently distinctive trade mark cannot be further enhanced. If a trade mark possesses inherent distinctive character, it will avoid s 7(1)(b), (c) and (d): Kerly at [8-063]. The assessment whether or not a trade mark has inherent distinctive character therefore depends on the appearance of the trade mark as a whole to the average discerning consumer but this assessment is again not made purely in a vacuum but in the context of the particular market place or environment in which the goods are dealt with and where the services are provided to the consumer. It must be acknowledged that in any market place, there will usually be competition with many traders dealing in the same or similar goods and services. Consumers are often bombarded with all kinds of marks. To attract the attention of consumers, traders will use their marks to identify, promote, market and advertise their goods and services where possible. Words, slogans and other catchy phrases may be used in association with their marks similarly for promotion, advertisement and marketing. Whether a trade mark indeed possesses an inherent distinctive character must be assessed with regard to the particular "noisy" market place and environment to see if it can still stand out as a badge of commercial origin for the goods or services of the promoter of the mark, without considering any prior use by the promoter of that mark. The relevant question to bear in mind (assuming no prior use whatsoever by the trader) will be whether the average discerning consumer operating in that market place and environment can readily and immediately identify the trade mark, viewed as a whole, to be unequivocally designating the goods or services originating from the particular trader when he first encounters the trade mark on the goods or services -- or will the average discerning consumer be unclear or uncertain as to the commercial source or origin of the goods or services nevertheless?

3 6 **Category (b):** The distinctive character of a trade mark in category (b) is a distinctiveness that is acquired through use or nurture by the promoter of the mark in relation to the particular goods or services of his. In short, it may be referred to as a ***de facto* distinctive character**. The author Ng-Loy Wee Loon in the "Law of Intellectual Property of Singapore" (Sweet & Maxwell Asia, 2008) ("Ng-Loy") has at p 264 and p 265 very aptly and suitably labelled "acquired distinctiveness" as "*de facto* distinctiveness". Due to the *de facto* distinctive character acquired by the trade mark, the average discerning consumer immediately and readily perceives, recognises or identifies the goods or services in question to originate from a particular trader and from no other. Since such a trade mark can effectively and immediately serve its essential function of distinguishing the goods of one trader from another, there should be no objection in principle to the immediate registration of such trade marks with a *de facto* distinctiveness acquired by the relevant date. This is the rationale behind

s 7(2) of the TMA.

It is important to note that s 7(2) does not apply to a mark ruled out by s 7(1)(a), which is a mark that cannot qualify as a trade mark at all or in other words, a mark that is "beyond redemption" for use as a trade mark for the particular goods or services in question. Section 7(1)(a) puts the matter beyond doubt that a mark which does not meet the fundamental and essential criteria of a trade mark in s 2 need not be considered for registration simply because it cannot even be potentially useable as a trade mark in the first place. The TMA provides no room to rescue such marks that fail s 7(1)(a) either by permitting them registration under s 7(2), or by preventing them from being removed from the Register of Trade Marks under s 23(2). However, the same cannot be said for trade marks that fail s 7(1)(b), (c) or (d).

37 **Category (c):** This refers to a category of trade marks which are not immediately registrable as they have not yet attained a distinctive character at the relevant date through use. I have referred to them earlier as **potentially registrable trade marks**. They do not have any distinctive character in the form of inherent distinctiveness and will be refused registration on account of s 7(1)(b), (c) or (d). They also do not have any *de facto* distinctiveness and will not be allowed registration under s 7(2). However with further use, they may potentially acquire *de facto* distinctiveness in the future and thereafter, they can be allowed registration under s 7(2) or if they had been wrongly registered initially, they can be saved from de-registration by s 23(2) if shown to have achieved *de facto* distinctiveness through use by the date of the invalidity challenge. If such trade marks in category (c) have not attained a distinctive character by the relevant date, they are not registrable as they are unable to serve **immediately** as a badge of origin. Hence, they are to be regarded as only potentially registrable.

It bears emphasising that all the trade marks in the three categories must have satisfied the basic threshold in s 2 and they all are "capable of distinguishing" goods or services dealt with or provided in the course of trade by a trader from that of another trader. Those which are "incapable of distinguishing" are incapable of being "trade marks", with no consideration for any registration whatsoever. They fail at the most elementary threshold.

38 The boundary dividing categories (b) and (c) is not impermeable and immutable, but is porous and flexible in the sense that a trade mark, which has acquired *de facto* distinctiveness through use or nurture, may well lose its "*de facto* distinctive character" status due to a lack of continued use or through the subsequent actions of other traders, with the result that the mark moves into category (c). Of course, if the trader later intensively promotes the mark and puts the mark into extensive use again, the mark may regain its *de facto* distinctive character and fall back into category (b) again. Hence for instance, a trade mark in category (c) which is descriptive of one or more characteristics of a good (but not of the remaining characteristics of that good), whilst not regarded as having any inherent distinctive character, can nevertheless acquire a distinctive character in the form of *de facto* distinctiveness through use and cross over to category (b).

### **Section 2(1): "capable of distinguishing"**

39 If a mark or sign is so descriptive of almost every characteristic of the good so as to be synonymous with the particular good itself, it will have no "capacity-to-distinguish" in all respects, and it will fail to satisfy the basic pre-requisite of a trade mark under s 2 and thus can never be cured by s 7(2) for the purpose of registration.

40 In the context of the goods of the defendant, examples of marks that will probably fail s 7(1)(a) are "JEWELLERY" or "GOLD" or "DIAMONDS" because such marks have no "capacity-to-distinguish"

and do not satisfy the definition of a trade mark in s 2. These words marks are simply so descriptive of jewellery that they are nearly synonymous with jewellery itself. Obviously, such marks cannot and will never have any distinctiveness. They cannot function or ever function as trade marks. They have no capability whatsoever to distinguish the jewellery items of one trader from another. Under the TMA, they simply are not to be regarded as trade marks for the jewellery trade. They will not qualify under s 2(1) to be trade marks and s 7(1)(a) makes clear that they can never be considered for registration at all. There is no need to proceed to consider the other absolute grounds for refusal of registration under s 7(1)(b),(c) and (d).

41 Understandably, a refusal under s 7(1)(a) can never be cured under s 7(2) by any prior use or prior promotional and educational activities and neither can it ever be cured under s 23(2) in consequence of use, promotional and educational activities both prior and subsequent to the date of erroneous registration in breach of s 7(1)(a).

42 The more representative the features and characteristics of a mark are of the goods or services it is meant to identify, and the more descriptive or representative the mark is of all the various characteristics of the goods or services themselves, the less likely will it be found to be "capable of distinguishing" those goods and services dealt with or provided in the course of trade by a trader from another because the mark is becoming more and more synonymous with the goods it is meant to distinguish.

### ***Pre-requisite for registration under the TMA***

43 Clearing the rather low hurdle in s 7(1)(a) read with s 2(1) is only sufficient to qualify the mark or sign as a trade mark, but qualifying as a trade mark *per se* is insufficient to obtain immediate registration under the TMA. There is a second and higher threshold to meet: the "registrability threshold". There are two routes for a trader to ensure that his trade mark clears the "registrability threshold":

(a) design a trade mark with a high degree of uniqueness in its appearance and coin meaningless, inventive or fanciful words in the case of purely word marks, so as to have a highly distinctive character with a high level of inherent distinctiveness, which then enables the trade mark to surmount readily all the absolute grounds of refusal of registration set out in s 7(1)(b), (c) and (d); failing which, then

(b) try to acquire a distinctive character for the trade mark through intensive and extensive use of it prior to the relevant date before applying for registration to be proceeded with under s 7(2) (*i.e.* acquire a *de facto* distinctive character through use first before filing for registration).

44 Broadly, the three sub-sections in s 7(1)(b), (c) and (d) basically exclude from registration trade marks that are respectively non-distinctive, descriptive and generic **in any one aspect** of the characteristics of the goods or services. The test in s 7(1)(b) for being "devoid of any distinctive character" is akin to a sweep up "exclusion from registration clause" for trade marks that lack an inherent distinctive character. For instance, if the attributes of a trade mark taken as a whole are generic or descriptive, then it will not have any inherent distinctive character and will fail s 7(1)(b). If it is descriptive of any of the characteristics of the goods or services, again it has no inherent distinctive character and fails the test in s 7(1)(c). If it is customary in the language or in the established practices of the trade, again it has no inherent distinctive character and fails the test in s 7(1)(d).

45 Each absolute ground of invalidity for registration in s 7(1) of the TMA operates independently

though the grounds may overlap. For instance, a ground of absence of inherent distinctive character in (b) can overlap with another ground of it being also descriptive under (c). A failure to overcome any ground of invalidity is, *per se*, sufficient to deny registration.

46 However, the strictness of s 7 (1)(b) to (d) denying registration is ameliorated by s 7(2) which allows another route for registration of a trade mark if it manages to achieve *de facto* distinctiveness through use prior to registration even though the mark is not inherently distinctive and would have failed s 7(1)(b) to (d). Here the registration is allowed on the sole ground of *de facto* distinctiveness of the trade mark, which the TMA regards as sufficient for the purpose of enabling the average discerning consumer to identify the specific trade origin of the goods or services.

47 Where a mark or sign qualifying as a trade mark under s 2(1) is wrongly registered in breach only of s 7(1)(b), (c) or (d), but has been subsequently shown to have acquired a *de facto* distinctive character with use, s 23(2) saves it and allows it to remain on the register on the sole ground that it now has a *de facto* distinctive character and therefore it can immediately perform its essential function as a trade mark to enable the average discerning consumer to identify that the goods originate from a particular trader and from no other.

48 The registration process in the TMA is effectively structured into four absolute grounds for refusal of registration which I now summarise below:

(1) The mark must first pass the “capacity-to-distinguish” test to be a trade mark under s 7(1) (a) read with s 2.

(2) Next, the trade mark must be designed with an inherently distinctive character to overcome three other absolute objections to registration under s 7(1) (b), (c) or (d), failing which it must at least acquire a *de facto* distinctive character by the relevant date as a result of use, marketing, promotion and education to be registrable under s 7(2).

(3) There is no provision to admit immediate registration of a “potentially registrable trade mark”, which at the relevant date has no distinctive character or distinctiveness, whether inherent or *de facto*. Therefore, a trade mark which is capable of distinguishing but has not yet acquired the requisite distinctive character which it lacks, will not be registrable under the TMA. Since such a trade mark cannot immediately perform its essential function to identify that the goods originate only from a particular trader, policy dictates that it shall not be registrable at this stage. Perhaps a fresh application can later be made after subsequent use, marketing and promotion by the trader has sufficiently clothed the trade mark with a *de facto* distinctive character.

(4) If it has been wrongly registered in breach of s 7(1)(b), (c) or (d), a trade mark with no distinctive character in the form of inherent distinctiveness will have to be revoked unless by the date of the challenge, it has fortuitously achieved a *de facto* distinctive character through use made of the trade mark, in which case s 23(2) saves it from de-registration.

49 To assist in the understanding of the inter-relationship between the various sections of the TMA, I have included a pictorial representation of the absolute grounds for refusal of registration in the form of a Venn diagram in **Annex A** at the end of my judgment. Kerly has some chapters devoted to this inter-relationship headed “*Capable of distinguishing the goods or services of one undertaking from those of other undertakings --- unravelling the skein*” and “*The Potential Puzzle*”. I can only hope that this judgment will not add more pieces to the puzzle and more knots to the skein.

### ***Analysis of objection under s 7(1)(a)***

50 In considering the first absolute ground of refusal under s 7 (1)(a), I have no doubt that the simple "LOVE" mark can fulfil the first limb of the test set out in [30] above in that it is capable of being represented graphically. As for the second limb of the test set out in [30] above, it is my view that the simple "LOVE" mark is capable of distinguishing the defendant's jewellery in the course of trade from those of other jewellers. Accordingly, the simple "LOVE" mark qualifies as a "trade mark" as defined in s 2(1) of the TMA. It is certainly not part of the ordinary meaning of the word "LOVE" to mean a gold bangle, a diamond ring or a piece of jewellery. I do not think that "LOVE" has in the current English language evolved into having an ordinary meaning of "jewellery" and neither has it become customary in the practices of the jewellery trade to refer to "jewellery" as "LOVE". "LOVE" is plainly not generic of jewellery. The simple "LOVE" mark is also not descriptive of a diamond, a ruby ring or a gold bangle nor is it a mark that consists exclusively of signs which designate and describe all the characteristics of jewellery, precious stones and precious metals including their kind, quality, value or geographical origin. The plaintiff has adduced evidence of the widespread use of the word "LOVE" in the jewellery trade. Despite all that close connection or association between the notion of love and jewellery, "LOVE" is not, in my view, a word that can, in the plain and ordinary usage, be understood by the average discerning consumer as another general name or label descriptive of jewellery in all its forms. The fact that "LOVE" may well be descriptive of only **one aspect** of jewellery, *i.e.* the "intended purpose" of jewellery (and hence, it is no longer inherently distinctive – see [68] to [82] below), does not mean that the simple "LOVE" mark is similarly descriptive of all the other aspects or characteristics of jewellery. Since "LOVE" is not generic of or synonymous with jewellery nor is it descriptive of all or a large number of the other aspects or characteristics of jewellery, I can accept that the simple "LOVE" mark is capable of distinguishing the goods of the defendant. Accordingly, I find that the simple "LOVE" mark qualifies as a trade mark under s 2 and is not barred by s 7(1)(a) from registration, but this is only the first hurdle.

51 As such, I would dismiss the first challenge by the plaintiff of the defendant's registered simple "LOVE" mark under s 7(1)(a). The rather low threshold for "LOVE" to first qualify as a trade mark as defined in s 2(1) of the TMA has been met in respect of jewellery, precious stones and precious metals in class 14. I do recognise that the very low threshold in 7(1)(a) read with s 2(1) will rarely be an obstacle to registration in most cases. As is aptly and succinctly observed in Ng-Loy:

[21.3.9].... Where the sign is so descriptive that it is almost synonymous with the goods or services themselves and hence is really an intrinsic part of the goods or services, no amount of use of the mark would allow the mark to become truly a trade mark to denote the trade origin of the goods or services. The public would always see the mark as denoting the goods or services themselves. Thus, the test for capacity-to-distinguish has also been phrased in this way: whether, no matter how much the sign may be used and recognised, it can really serve to convey in substance only the message: 'here are a particular trader's goods'. If the answer is in the negative, the sign is incapable of distinguishing the goods.

[21.3.10] If a sign cannot cross the capacity-to-distinguish threshold, it necessarily follows that the sign is inherently non-distinctive as well. The authority for this proposition is the *Nations Fittings* case: [2006] 1 SLR 712 at [137]. But the converse is not true: if a sign is capable of distinguishing, it may nonetheless lack inherent distinctiveness. This is because the second threshold of distinctiveness is a higher one than the capacity-to-distinguish threshold.

52 Clearly then, it is not the end of the matter as I now need to analyse if the simple "LOVE" mark as a trade mark (satisfying s 2) is able to cross the much higher thresholds under s 7(1)(b) to (d).

## **The simple "LOVE" mark is "devoid of any distinctive character" -- s 7(1)(b)**

53 The object of the assessment for "inherent distinctiveness" in relation to s 7(1)(b), (c) and (d) is to determine whether the trade mark has **intrinsic or inherent features or characteristics** that are sufficiently unique to enable the intended mark to **immediately function** (*and not potentially function in the future through subsequent use by the promoter of the mark*) as a readily obvious and reliable badge of origin in the eyes of the average discerning consumer when it is used in relation to the particular trader's goods or services to differentiate that trader's goods or services from those originating from other traders, who are operating in the same market place and environment in which that trade mark is supposed to function. If such intrinsic or inherent features or characteristics exist, then the trade mark escapes the objection to registration in s 7(1)(b), (c) and (d) because it will then have an "inherent distinctive character". I re-emphasise that the assessment is made by examining the trade mark and its meaning (if any), **absent any consideration of its use, promotion or marketing by the promoter of the trade mark**, as will be reasonably perceived and understood at the relevant date by the average discerning consumer of that category of goods or services in the market place and environment that exists again as at the relevant date. As was stated by Jacob J at p 306 in the case of *British Sugar Plc v James Robertson & Sons Ltd* [1996] RPC 281 ("*British Sugar*"): **"What does devoid of distinctive character mean? I think the phrase requires consideration of the mark on its own, assuming no use. Is it the sort of word (or other sign) which cannot do the job of distinguishing without first educating the public that it is a trade mark?"** I note that *British Sugar* was cited with approval in our local courts in *Sime Darby Edible Products Ltd v Ngo Chew Hong Edible Oil Pte Ltd* [2000] 4 SLR 360, and *Richemont International SA v Da Vinci Collections Pte Ltd* [2006] 4 SLR 369.

### ***Application of the principles to s 7(1)(b)***

54 I shall now apply the principles which I have elaborated above to the facts of this case in respect of s 7(1)(b). The court will basically have to determine whether the "distinctive character" of the simple "LOVE" mark as a mark of origin of the defendant, absent any use by the defendant, can be drowned by the distractions and the "din and noise" in the market place of the jewellery trade in Singapore when evaluating the absolute ground of refusal of registration under s 7(1)(b).

55 To begin with, I regard the simple capital-lettered word "LOVE" as a trade mark that has not incorporated any imaginative design or decoration to enhance its distinctive characteristics so that it can serve much more effectively as a badge of commercial origin for the defendant's jewellery, precious stones and precious metals. But it is the choice of the defendant as to the degree of distinctive characteristics that it wants to integrate into the design of its own trade mark and the extent of the risk it wants to take in relation to future challenges to its trade mark registration. Since the defendant has decided on a rather low level of uniqueness in the design of its simple "LOVE" mark, the higher will be the risk that it may be considered "devoid of any distinctive character" pursuant to s 7(1)(b) after taking into account all the applicable facts and circumstances of the market place and environment and the relevant trade use by others as of the relevant date as well as the applicable facts and circumstances after the relevant date in so far as they can assist to determine the likely state of affairs as at the relevant date by way of a retrospective inference. While the unimaginatively designed simple "LOVE" mark of the defendant may have satisfied the definition of a trade mark by having a capacity-to-distinguish, the question is whether over and above that, it has in fact any inherent distinctive character, when no attention is paid to any use, promotion or marketing by the defendant.

56 Clearly, the trade use of the word "LOVE" in all manner and forms by other jewellery traders in promoting and advertising their goods is very prevalent in the market place and environment where

this simple "LOVE" mark is supposed to perform its essential function to unequivocally distinguish the jewellery as originating only from the defendant and from no others. Absent any consideration of any use of the simple "LOVE" mark by the defendant, I doubt very much that the average discerning consumer will be able to immediately recognise jewellery inscribed with the simple "LOVE" mark as identifying the defendant to be the source of the goods when one takes into account evidence of the extensive adoption and the ubiquitous use of the same mark, or almost identical or similar marks by other jewellery traders.

57 I am inclined towards the view that the simple "LOVE" mark is "devoid of any distinctive character". I shall explain my reasons in more detail below after I have reviewed the case authorities referred to me by counsel to confirm whether the principles I have set out above on s 7(1)(b) are correct.

58 As I have mentioned earlier, the question of whether a mark is devoid of distinctive character was dealt with in *British Sugar* where Jacob J remarked:

What does devoid of distinctive character mean? I think the phrase requires consideration of the mark on its own, **assuming no use**. Is it the sort of word (or other sign) which *cannot do the job of distinguishing without first educating the public that it is a trade mark*? A meaningless word or a word inappropriate for the goods concerned ("North Pole" for bananas) can clearly do. *But a common laudatory word such as "Treat" is, absent use and recognition as a trade mark, in itself... devoid of any distinctive inherently character.* [Emphasis added.]

59 Counsel for the plaintiff also cited the case of *Linde AG, Windward Industries and Rado Uhren AG* (Joined Cases C-53/01, C54/01 and C-55/01, ECJ 8 April 2003) whereby the court held at paragraphs [40]-[41] that:

For a mark to possess distinctive character within the meaning of that provision it must serve to identify the product in respect of which registration is applied for as originating from a particular undertaking, and thus to distinguish that product from products of other undertakings...

In addition, a trade mark's distinctiveness must be assessed by reference to, first, the goods or services in respect of which registration is sought, and, second, the perception of the relevant persons, namely the consumers of the goods or services. According to the Court's case-law, that means the presumed expectations of an average consumer of the category of goods or services in question, who is reasonably well informed and reasonably observant and circumspect...

60 Another helpful case cited by counsel for the plaintiff is **COMPLETE Trade Mark [1999] ETMR 664, OHIM Third BoA**, where the court held at [15] that:

"The trade mark COMPLETE is formed by one single word COMPLETE with no additional element that could be regarded as arbitrary, fanciful, imaginative or inventive. **It is a word commonly used in advertisements and with goods and, as such, does not have the capacity to communicate to the ordinary consumers that the goods with respect to which it would be used are those of the appellant.** The word COMPLETE may, therefore, be used legitimately by all suppliers positioning or marketing their products. The trade mark COMPLETE is, therefore, not capable of distinguishing products claimed by the appellant from those of another undertaking and is devoid of distinctive character under Article 7(1)(b) CTMR." (Emphasis added)

61 To the facts of this case I will now apply the guiding principles I have earlier set out (which I find are not inconsistent with the authorities cited to me) to determine whether or not the simple



"LOVE" mark is "devoid of any distinctive character". This question, I reiterate, is to be answered from the perspective of the hypothetical average, reasonably well informed and reasonably observant and circumspect consumer of jewellery (*i.e.* the average discerning consumer) who is living in Singapore and who is faced with the competitive market environment in which jewellery is being retailed and traded.

62 I find that "LOVE" is an ordinary word with well understood meanings. It is very commonly used as a laudatory verb expressing for example praise, admiration, adulation, affection, adoration, devotion, a strong liking and so forth for a person, a thing, a place or a service. It is also a very common noun describing for example the strong positive feeling towards somebody, something or some place; the deep and enduring emotional regard for another person; the romantic, passionate and sexual feelings for another person; or the tender affection for a person, an animal, a place, a thing or an ideal. Based on the evidence produced by the plaintiff, it is quite clear to me that jewellers, even prior to the defendant's registration of the simple "LOVE" mark, have been capitalising on the meaning of the emotive word "LOVE" to name some of their special jewellery collections. They also embrace the word "LOVE" in their advertising slogans so as to enhance the attractiveness and marketability of their jewellery items to their existing and potential customers. From the overall survey of the use of the word "LOVE" in the jewellery business, I see many jewellers coining names such as "Love Collection", "Gracious Love Collection" and "Puppy Love Collection" for their special series of jewellery collections. Further, specific items of jewellery have not only been described as symbols of love by jewellers, in many instances jewellers have also actually incorporated the word "LOVE" into the special names given to specific items of jewellery (*e.g.* 18K Diamond Love Pendant, Circle of Love necklace, Love Rings, Ponte of Love ring, Love Generation Charm Bracelet, Revolving Rings of Love).

63 With such common adoption of the word "LOVE" by so many jewellers to market, advertise, label and mark their jewellery, I find that the simple "LOVE" mark on its own does not have any distinctive character to differentiate the defendant's goods, without first educating the public that it is being employed by the defendant as its trade mark to distinguish the defendant's goods from those of other jewellers. Hence, the simple "LOVE" mark is devoid of any inherently distinctive character for jewellery.

64 Indeed, the defendant of its own admission has stated that other traders have not used "LOVE" in a '*trade mark sense*'. The very fact that the defendant has to resort to drawing distinctions between the use of the word "LOVE" in a trade mark sense and non-trade mark sense strongly suggests to me that there is indeed a need to educate the public first that "LOVE" is being specially used by the defendant as a trade mark, especially when the word "LOVE" is almost a breathing word in the jewellery trade. Clearly, there has been significant factual erosion of the ability of the word "LOVE" to distinguish in the jewellery trade by the actions and practices of other jewellery traders who name, label, mark and engrave their goods with the word "LOVE" and also use "LOVE" to promote and advertise their goods, be it within catchy slogans and enticing phrases or otherwise, just so to urge customers to buy their goods. The extent of the factual erosion has, to my mind, rendered the simple "LOVE" mark devoid of inherent distinctiveness in the jewellery trade at the relevant date.

65 The lack of inherent distinctive character of the simple "LOVE" mark is especially glaring in the light of the fact that the defendant's registered simple "LOVE" mark is not one which is registered in a form so outstandingly unique with fancifully designed capital letters or so instantly recognizable by the public that it has highly distinctive characteristics to signify that the goods with that *decorative* "LOVE" inscription must only originate from the defendant and from no other jewellery trader. Although the defendant speaks of "LOVE" being used by other traders in a *non-trade mark* sense to underscore its claim that its simple "LOVE" mark is indeed used as a trade mark which has not been infringed by other jewellers, I am of the belief that the almost ubiquitous use of the word "LOVE" inscribed on

jewellery items and in advertisements in the jewellery industry, renders it difficult for members of the public to realise or expect that the defendant's ordinary and rather simple "LOVE" mark is meant to distinguish the defendant's jewellery from another trader's. I am driven to conclude that the simple "LOVE" mark is devoid of any distinctive character and must be refused registration on the ground in s 7(1)(b).

66 In my opinion, the intimate association between the notion of love and jewellery means that a simple word mark like "LOVE" (without any ornate design or distinctive feature) based on a very common and often used word by those in the jewellery trade to name and describe jewellery items in attractive and emotive terms, weakens the distinctiveness of the defendant's simple word mark to consumers generally to the point that it is devoid of any distinctive character in relation to the identification of the jewellery, precious stones and precious metals inscribed with the simple "LOVE" mark as the defendant's goods.

67 In my judgment, the plaintiff has succeeded in establishing the absolute ground for refusal of registration under s 7(1)(b) in respect of the defendant's simple "LOVE" mark.

### **"LOVE" designates the "intended purpose" of jewellery -- s 7(1)(c)**

68 Counsel for the plaintiff contends that as jewellery is often given as an expression of love, "LOVE" thus designates the "intended purpose" of jewellery and should be prohibited from registration pursuant to s 7(1)(c).

69 Counsel for the defendant argues that the "intended purpose" in s 7(1)(c) does not refer to the intended purpose of the giver. It refers to the intended purpose of the goods, and the intended purpose of jewellery is to adorn the person wearing the jewellery.

70 Kerly at [8-080] explains the rationale behind s 7(1)(c): The purpose of this ground of objection is to prevent the registration of signs which are descriptive of the goods or some characteristic of them. These descriptive marks are excluded from registration because they consist of signs or indications which honest traders either use or may wish to use without any improper motive.

A mark must be refused registration under s 7(1)(c) if at least one of its possible meanings designates a characteristic of the goods or services concerned: (DOUBLEMINT Case R216/1998-1, OHIM (Bd App) at [32] ). It does not matter that there are other synonyms, other more usual signs or indications which can also serve to designate the same characteristic or other characteristics of the goods or services as s 7(1)(c) does not prescribe that the mark under examination should be the only way of designating the particular characteristic in question: (Kerly at [8-082]). The characteristic of a particular good or service includes **"the kind, quality, quantity, intended purpose, value, geographical origin, the time of production or the goods or of rendering of services, ..."** as enumerated under s 7(1)(c). Section 7(1)(c) has a sweep up limb to it that is very broad in that the trade mark must also not consist exclusively of signs or indications, which may serve in the trade to designate any **"... other characteristics of goods or services."** As such, if one of the intended purposes or if one of the characteristics of jewellery is to serve as a "gift of love" to a loved one, which is what a consumer may buy it for, then a trade mark which designates such an intended purpose or characteristic of jewellery will be caught by s 7(1)(c) and will not be registrable. I shall now examine more closely the question: What is the "intended purpose" of jewellery referred to in s 7(1)(c)?

71 The phrase, "the... intended purpose", may suggest that there can only be one purpose for any good or service. It may further suggest that the average discerning purchaser buys goods (and in this

case jewellery) with only one intended purpose in mind. I find all this to be quite implausible. A more acceptable and realistic view to adopt is that there are often various purposes for a good or service, but there are cases where there is one identifiable *primary* intended purpose of the good or service in a given set of factual circumstances. More often than not, the good or service may have a few important purposes all being just as equally important and significant, and one cannot really point to any definite primary purpose.

72 Consequently, it is undisputed that a purpose of jewellery is to adorn a person. However, this is but one of many purposes that purchasers can have in mind when they buy jewellery. Jewellery has many other uses and purposes e.g. as gifts to express love and affection, as a form of investment, as a store of value, to display wealth or status, as ornamental items and as items with other functional uses (such as clasps, pins and buckles). Further, these various purposes as intended by the purchaser of the jewellery are not necessarily mutually exclusive.

73 The primary purpose of jewellery has evolved over the years and it is not possible to predict what new and equally important purposes may surface in the future. The purposes of jewellery and other goods for that matter are not cast in stone. Very often, it is the consumers of goods who *effectively* determine the purpose(s) and use(s) that the goods are put to. Society is constantly evolving. Similarly, conventional uses of goods also change over time and technological advances may enable goods to have new purposes added to them (e.g. the use of mobile phones now as a personal diary, as a device to store data, as a camera, as a GPS or as a device to surf the internet, and so on). In short, a good's purpose can be and is often amorphous because its various purposes and their importance and significance are very much determined by (a) the purchaser and in turn the recipient (where relevant) both of whom imbue the good with the purpose or purposes that he or she intends for it; and also (b) the manufacturer who equips that type of goods with the capability or facility to provide more functional uses than the goods previously could provide and who has to respond to the anticipated demands of its customers and the market place. As customers can be purchasing the goods for their own use or as gifts, the traders will naturally target both types of purchasers to entice them to buy their goods whether as gifts or for themselves. It does not matter to these traders whether the goods are purchased for the customer's own use or as gifts, so long as the sale is made.

74 Where s 7(1)(c) is concerned, an intriguing question is from whose perspective the court is to evaluate the "intended purpose" of the goods: the **trader** who intends to sell the goods, the **purchaser** of the goods, or the **recipients** of the goods as gifts where it is customary for that sort of goods to be given away as presents or gifts? In my judgment, it must be the "intended purpose" of the ordinary discerning purchaser (and not the trader or the recipient) that has to be considered for the purpose of s 7(1)(c). The focus must be the purpose intended by the purchaser at the point of his purchase of the goods in question. Often the trader will want to promote his goods in a way that matches the "intended purpose" of the likely buyer of the goods at the point of sale. Traders often try to influence the thinking and buying behaviour of their customers through advertising and promotion of their products and their features. Traders therefore play a significant part in shaping the intentions of their customers for buying their goods and therefore, their customers' intended purposes for the goods that they are purchasing. I will not be surprised if the "intended purpose" of the goods from the perspective of the purchaser has to a large extent been moulded by the traders. If purchasers believe or have been led to believe that a particular type of goods will be popular and most suitable as gifts, a trader will naturally try to capitalise on it by marketing those goods as useful presents to increase his sales. To encourage the purchase of jewellery as gifts to loved ones, the trader may have appropriate engravings perhaps of the word "LOVE" on the items and provide beautiful gift boxes and gift wraps as well to go along with the purchase of the gift items of jewellery, so that they can be readily presented as gifts. The driving force behind marketing and promotion of

goods will in all probability be dictated by the “intended purposes” of the purchasers, who are the ones spending the money and who are naturally the focus of the traders for their marketing efforts and who must therefore be regarded as the body of “average discerning consumers” in the context of the TMA. Some support for this proposition can be found at [8-097] of Kerly:

75 In BABY-DRY, the European Court of Justice (“ECJ”) indicated that Art. 3(1)(c)/7(1)(c) only applied to those marks which

“may serve in normal usage **from a consumer’s point of view** to designate, either **directly or by reference to one of their essential characteristics**, goods or services such as those in respect of which registration is sought.” BABY-DRY, para. 39. (Emphasis added).

76 What then will be the likely ordinary purposes for buying jewellery from the perspective of the average discerning purchaser of jewellery? While the defendant’s counsel may regard the sole intended purpose of jewellery as being adornment, it surely cannot escape notice that many people also buy jewellery as presents for others as an expression of love. It cannot be denied that the purpose of a jewellery gift is often to express one’s love, otherwise it would make little sense for the defendant to register “LOVE” as one of its trade marks, and thereby seek to monopolise that word commonly used in the jewellery trade by other jewellery traders.

77 Hence, a trade mark consisting exclusively of “signs or indications which may serve, in trade to designate .... the **intended purpose** ..... of goods” must be viewed from the perspective of the average discerning purchaser, and not so much from the perspective of the recipient of the gift in a case where that purchaser had in fact bought the goods for the sole purpose of giving it to a loved one. What these hypothetical average discerning purchasers generally intend to use the goods for is therefore the most relevant consideration when determining the intended purpose or purposes of the goods in question.

78 In my judgment therefore, the intended purpose or purposes of the goods for the purpose of s 7(1)(c) is to be determined objectively by examining the relevant intention of the average discerning consumer at the time of the purchase of the particular type of goods in question. Jewellery is not only commonly bought for self-adornment, jewellery is also commonly bought as gifts for loved ones and to be tangible expressions of love. The latter purpose may be just as prevalent as the former. It is wrong therefore to assume that jewellery can only have one intended purpose *i.e.* that of adornment. I therefore find that one of the “intended purposes” of jewellery is to use them as gifts to express love and affection.

79 Further, with regards to jewellery at least, some might regard the sentimental value placed on the gift of jewellery to be of more significance than the adornment value obtained by wearing that piece of jewellery. A piece of jewellery by way of a gift is often regarded as a more tangible form of expression of one’s love and that is a very common “intended purpose” of jewellery. A piece of jewellery received as a present from a person expressing his love is often far more treasured than a piece of jewellery bought for mere self-adornment. To suggest then that *the* (sole) intended purpose of jewellery is simply to adorn the wearer is thus not convincing.

80 As one can well see by now, it is not helpful to canvass the continuum of purposes a particular good can have for the purposes of trade mark registration. The practical solution is to invoke s 7(1)(c) when it is patently obvious that a particular purpose is commonly associated with the trade mark in question, instead of delving into a pedantic search for a good’s *intended primary* purpose and segregating that from other *intended secondary* purposes and then performing an analysis as to which purpose s 7(1)(c) is meant to refer to.

81 Paragraph 8-098 of Kerly is pertinent:

...in later judgments, the ECJ has emphasised that the freedom to use such indications applies irrespective of how significant the characteristic may be commercially:

"It is also **irrelevant whether the characteristics** of the goods or services which may be the subject of the description **are commercially essential or merely ancillary**. The wording of Article 3 (1)(c) of the Directive does not draw any distinction by reference to the characteristics which may be designated by the signs or indications of which the mark consists. In fact, in the light of the public interest underlying the provision, any undertaking must be able freely to use such signs and indications to describe any characteristic whatsoever of its own goods, irrespective of how significant the characteristic may be commercially." POSTKANTOOR, para. 102. (Emphasis added.)

82 On the question whether the *expression* or gift of love qualifies as a conventional, intended purpose of jewellery as submitted by the plaintiff, I believe that the plaintiff's evidence is sufficient to dispose of this question in the affirmative. Even the defendant's evidence shows this, as its other trade mark "the LOVE Diamond" is almost invariably used with the following catchy slogan beneath it: **"the Ultimate Expression of Love"**. This indicates to me that the defendant is constantly conveying to and reminding their customers (including the public at large) of the message that their LOVE Diamond is the ultimate expression of love. Accordingly, I find that the simple "LOVE" mark has been registered in breach of s 7(1)(c) of the TMA on the ground that it serves in the jewellery trade to designate one of the "intended purposes" of jewellery.

#### **Is "LOVE" consisting exclusively of a sign which has become "customary" ? -- s 7(1)(d)**

83 Kerly at 8-101 states that the rationale of s 7(1)(c) and (d) is to prevent the "registration of those signs or indications which honest traders customarily use in trade-signs which are generic".

84 In relation to s 7(1)(d) , Kerly at [8-102] and [8-113] states that:

[8-102] .... The essence of the objection is that the sign is generic, with the primary focus usually being on the perception of the mark amongst consumers, although the perception in the trade may be important in certain circumstances. Each case will turn on its own facts and evidence. The challenge with these grounds is to compile a sufficiently convincing body of evidence.

[8-113]... [F]rom what the ECJ has said already: Art.3 (1)(d)/7(1)(d) are in the public interest, to ensure that generic terms may be freely used by all. In some respects, this is a stronger public interest than that underlying Art. 3 (1)(c)/7(1)(c), because such generic terms must actually be in current use, as opposed to being capable of being used in the future. Alternatively, the public interest lies in the fact that marks caught by these provisions are not capable of functioning as trade marks and therefore do not deserve to be protected. Expressing the underlying public interest in these terms serves to emphasise that these provisions set a high hurdle. Not only must the mark consist *exclusively* of generic matter, but the fact of genericism must be established. Bearing in mind the primary role of 3(1)(d)/7(1)(d) are to prevent traders seeking to monopolise terms which are already generic, the fact of genericism can usually be demonstrated.

85 In relation to s 7(1)(d), it is legitimate to take into account materials published **after** the relevant date to determine the fact of genericism, provided it is clear how the materials are to be used as evidence by the court and provided it is clear where the focus of the objective analysis

should be. To determine whether the trade mark itself has become customary in the current language of the trade, the main focus should be on the perception (viewed as at the relevant date) of the average discerning consumer. However, to see if the trade mark has become customary in the *bona fide* established **practices of the trade**, the principal focus should be on the perception (again as at the relevant date) among the body of traders. It must be borne in mind that the perception of the body of traders may in turn be influenced and be affected by the perception of the average consumer and vice versa because of the close interaction between traders and consumers all the time. When determining "customariness", it does not matter whether the signs or indications constituting the trade mark describe the properties or the characteristics of those goods or services to which the trade mark relates.

86 The next question that comes to mind is how one is to take into account materials after the relevant date to determine facts as they exist at the relevant date? Kerly's at [8-106 – 107] has answered that question as can be seen below in bold:

In BSS *Alcon*) [*sic*] the ECJ had to consider the equivalent provision in Article 7(1)(d) of the CTM regulation in relation to the mark "BSS"... The subsidiary points which arose concerned (a) the use of materials published after the date of application and (b) the use of materials published outside the EU.

The ECJ:

(1) confirmed that the date of filing of the application was the material date...;

(2) adopted the common sense view that it was legitimate to take account of materials published after the relevant date in so far as they **"enabled the drawing of conclusions on the situation as it was on that date"**...;

(3) again adopted the common sense view that materials published outside the EU could shed light on the issue whether the relevant class of persons (in that case the "scientific community") in the EU regarded the term BSS as customary. (Emphasis added.)

87 In ***Alcon Inc v OHIM (Case C-192/03)*** [See **Tab 3, PSBA**], Alcon had registered the term "BSS" in respect of "ophthalmic pharmaceutical preparations; sterile solutions for ophthalmic surgery" in class 5. The applicant sought to invalidate this registration on the basis that "BSS" stood for "balanced salt solution" or "buffered saline solution". There was evidence that the letters BSS were used in both English and German to designate an ophthalmic pharmaceutical preparation. OHIM therefore invalidated the mark pursuant to Article 7(1)(d) of Regulation 40/94. On appeal to the ECJ, Alcon argued that OHIM had incorrectly taken into account documentary evidence **post-dating** the registration and documentary evidence published in the United States – i.e. outside the European Union. On the first point, the ECJ held at [41]:

"...[T]he Court of First Instance **could** without inconsistency in its reasoning or error of law **take account of material** which, although **subsequent to the date of filing the application**, enabled the drawing of conclusions on the situation **as it was on that date**." (Emphasis added.)

88 It is noted that the ECJ also took a commonsense approach to the issue of documentary evidence published outside the relevant jurisdiction. The ECJ opined that materials published outside of the EU could shed light on the issue of whether the relevant class of persons regarded the term as customary. Accordingly, for the purpose of s 7(1)(d), I cannot ignore evidence presented to me showing usage of the word "LOVE" post-dating 19 April 1999 or showing usage of the word "LOVE"

outside Singapore, whether pre-dating or post-dating 19 April 1999, to assist me in drawing inferences and conclusions on whether or not the word "LOVE" has, on a balance of probability, crept into the jewellery trade lexicon and become customary "in the current language" of the jewellery trade or "in the *bona fide* and established practices" of the jewellery trade (*i.e.* "customary usage") evaluated as at the relevant date.

89 Whilst the use of the word 'LOVE' is very prevalent in the advertising and promotion practices of jewellery traders so that, even prior to the defendant's registration of the simple "LOVE" mark there were already many traders promoting their wares using the word "LOVE", and despite taking into account all the evidence post-dating 19 April 1999, it is still an overstatement to claim that "LOVE" is a generic term for jewellery or to assert that it has become customary usage. Some examples of words which have become customary are yo-yo, cellophane and aspirin, but "LOVE" cannot be said to be anywhere near being customary usage in the jewellery trade by contrast. A reference to any English dictionary will quickly indicate whether or not "LOVE" has become a customary word in the current language or the established practices of the jewellery trade. Even as of today, I do not believe that it has. Whether or not it will ever become customary usage in the jewellery trade in the future is uncertain and very much open to debate.

90 Accordingly, I find that the plaintiff has failed to establish that the simple "LOVE" mark was registered in breach of s 7(1)(d).

91 When submitting on this issue, I note that defendant's counsel highlighted the fact that "*there are numerous reasons behind why a consumer would purchase jewellery and thus it cannot be said that the word "LOVE" has become customary in the current language or in the bona fide and established practices of the trade.*" Interestingly, this submission of the defendant's counsel contradicts her submissions in relation to s 7(1)(c) and is consistent with my finding (in the preceding section of my judgment) of the existence of multiple purposes to which jewellery can be used, so that to confine its "intended purpose" to simply adorning the wearer is quite provincial.

### **Notion of "acquired distinctiveness" or acquisition of a "*de facto* distinctive character"**

92 Having determined that the simple "LOVE" mark ought to have been refused registration under s 7(1)(b) and (c), the next issue is whether s 23(2) of the TMA is applicable. Here, the notion of "acquired distinctiveness" and "*de facto* distinctive character" becomes important for which I find the case of *Windsurfing Chiemsee Produktions- und Vertriebs GmbH (WSC) v Boots- und Segelzubehor Walter Huber & Franz Attenberger* [1999] ETMR 585 (ECJ) ("*Windsurfing Chiemsee*") to be particularly instructive. The ECJ considered the test for and the evidentiary requirements of "acquired distinctiveness." Although this case was in the context of geographical indications, the same principles should apply generally.

93 The test of acquired distinctiveness is stated as follows at [54]:

*"if the competent authority finds that a **significant proportion** of the relevant class of persons identify goods as originating from a particular undertaking **because of the trade mark**, it must hold the requirement for registering the mark to be satisfied..." (Emphasis added.)*

94 Helpful evidentiary requirements are detailed at [49 – 52]:

"49 In determining whether a mark has acquired distinctive character following the use made of it, the competent authority must make an overall assessment of the evidence that the mark has come to identify the product concerned as originating from a particular undertaking, and thus to distinguish that product from goods of other undertakings.

...

51 In assessing the distinctive character of a mark in respect of which registration has been applied for, the following may also be taken into account: **the market share held by the mark; how intensive, geographically widespread and long-standing use of the mark has been; the amount invested by the undertaking in promoting the mark; the proportion of the relevant class of persons who, because of the mark, identify goods as originating from a particular undertaking; and statements from chambers of commerce and industry or other trade and professional associations.**

52 If, on the basis of those factors, the competent authority finds that the relevant class of persons, or at least a significant proportion thereof, identify goods as originating from a particular undertaking because of the trade mark, it must hold that the requirement for registering the mark laid down in Article 3(3) of the Directive is satisfied." (Emphasis added.)

95 It is very much a question of fact therefore whether or not a *de facto* distinctive character exists, and whether or not acquisition, erosion or loss of an acquired distinctiveness has indeed occurred. In my view, the causal factors affecting the extent of the difficulty in acquisition of *de facto* distinctiveness or the extent of the erosion or loss of *de facto* distinctiveness are not limited only to trade mark use of that mark (or closely similar marks) in question by other traders, but can also arise from non-trade mark use of that mark (or closely similar marks) by others in the same trade. Of course, the effects are stronger when it is through trade mark use by others but weaker when it is through non-trade mark use by others. Therefore, the court in its evaluation of the presence or existence of *de facto* distinctiveness in an inherently non-distinctive mark has to take into consideration:

(a) all the relevant facts and circumstances, including the prevalence of the wide variety of actual trade mark and non-trade mark use, promotion and advertising by other traders of the same mark or similar marks with similar attributes by other traders, and all other relevant actions by other traders of similar goods and services, which have the effect of eroding the general perception of the average discerning consumer linking the inherently non-distinctive trade mark in question to the identity of the originator of the goods or services on the one hand; and

(b) on the other hand, all the relevant actions by the promoter of the trade mark in using the trade mark in question constantly as its badge of commercial origin, by inscribing the mark invariably on all their goods, by extensively and intensively promoting, advertising and educating the average discerning consumer of the promoter's trade mark, in taking relevant enforcement action for passing off and in taking enforcement action against infringers to protect its registered trade mark (whether or not registered correctly or erroneously), all of which have the opposite effect of shoring up the perception in the eyes of the average discerning consumer that the inherently non-distinctive trade mark in question must be associated with and must have originated from that trader who has been intensively and extensively using, promoting and advertising the trade mark in question in relation to those goods or services of his.

96 Needless to say, it will be an enormously difficult task to acquire or regain a *de facto* distinctive character where the various graphical features or the various meanings of the non-inherently distinctive mark have evolved into the "customary usage" in the particular trade, and where its usage by other traders has become entrenched. Indeed, it will be an uphill task in such cases to seek registration for such non-inherently distinctive marks under s 7(2) or to save such marks from deregistration under s 23(2) if they have been wrongly registered in breach of s 7(1)(b), (c) and (d)



in the first place.

97 On the other side of the coin, if the registered proprietor is lackadaisical and does not continue to protect, promote, use and educate the members of the public of its trade mark registered by virtue of s 7(2) or registered in breach of s 7(1)(b), (c) or (d) but cured by s 23(2), there is the risk that the trade mark may be revoked under s 22(1)(a) and (b) for non-use, or revoked under s 22(1)(c) if, in consequence of the acts of inactivity of the registered proprietor, it should become a **common name** in the trade for the product or service.

98 In summary, the TMA implicitly recognises the existence of an intermediate category of marks, which on the facts as they exist at the relevant date, cannot on their own do the job of distinguishing without use, promotion and education, but nevertheless always have had the capacity-to-distinguish thereby meeting the threshold requirement of the definition of a trade mark in s 2(1). For this category of marks, no ground exists *per se* for refusal of registration pursuant to s 7(1)(a). But being non-inherently distinctive, evidence of use, promotion, marketing and education becomes extremely important, relevant and necessary to determine whether or not *de facto* distinctiveness has been successfully acquired having regard to the “noisy” market place and environment where those goods or services in question are being sold to the consumer or traded, and hence, whether or not the non-inherently distinctive mark gets registered by virtue of s 7(2), or if wrongly registered whether or not it can be saved from deregistration by s 23(2).

99 Of course, there will be a large number of marks which are so inherently distinctive that they can simply do the job of distinguishing without the need for any use, promotion or education and therefore, the issue whether these marks meet the requirement of a trade mark under s 2(1) never arises. In such cases, there is then no real necessity (for the purpose of determining registrability) to consider any evidence of use, promotion and education which only goes to further strengthen their overall distinctive character. Evidence of substantial use, promotion or education therefore strengthens the overall distinctiveness of the inherently distinctive mark and makes it even far more effective in designating unequivocally the commercial origin of the goods or services in the eyes of the average discerning consumer.

100 As I have said before, the degree of inherent distinctiveness in a mark or sign in relation to the trader’s goods or services depends on the wishes of the trader. Of course, these trade marks can be very elaborately designed and comprise totally meaningless, invented or fanciful words. They will then have outstanding inherent distinctive character and are therefore highly capable of functioning as badges of origin to denote or distinguish the goods and services of the promoter of the trade marks as being exclusively his, without any prior use or education or promotion whatsoever. Such trade marks will readily clear the more difficult hurdles in s 7(1)(b), (c) and (d) and there is no question of any average discerning consumer making any possible mistake as to the source of commercial origin for goods and services identified with these trade marks.

101 However at the other end of the spectrum, there can be very ordinary simple and unimaginatively designed marks which just barely satisfy the definition of a trade mark. These trade marks have no inherent distinctive character and immediately fail s 7(1)(b), (c) and (d), and the promoters of these trade marks then have to rely on “acquired distinctiveness” through extensive and intensive use, promotion, education and advertisement. A trader who designs, chooses or coins relatively common words or simple common designs for his trade mark in relation to the goods or services in question thus takes the risk that the trade mark may not successfully acquire a *de facto* distinctive character through use. Where reliance is placed on the acquisition of actual or factual distinctiveness through use, then I will only caution that the risk always exists that the trade mark may not succeed in gaining actual or factual distinctiveness as a badge of commercial origin in

the perception of the average discerning consumer, depending on how “noisy” the market place and environment is, and whether or not the consumer is constantly bombarded by other traders of the same goods and services with their marks, words, slogans, phrases or their equivalents, in various forms and permutations, which have similar features, attributes or meanings as the trade mark in question. It is then all a question of fact whether a *de facto* distinctiveness is successfully acquired given the market place and environment in which the trade mark is supposed to perform its function. With that in mind, I will now examine whether or not the simple “LOVE” mark, having failed under s 7(1)(b) and (c) and was thus registered in breach of s 7, has in consequence of all the use which has been made of it thus far acquired a distinctive character in relation to the goods for which it was registered. If so, then s 23(2) saves it from being declared invalid and no deregistration will occur.

### **Defendant’s reliance on s 23(2)**

102 The defendant submits that even if the simple “LOVE” mark were found to fall foul of s 7(1), the defendant has a defence pursuant to s 23(2) that the simple “LOVE” mark has acquired a distinctive character after registration of the mark in 1999 in consequence of its use in relation to the jewellery trade.

Whether the defence is available is a question of fact to be answered from the perspective of the average discerning consumer. For the purpose of s 23(2), evidence of use is not limited to that after registration. It includes use (if any) prior to registration. If after taking all the evidence of use into account and if I am satisfied on that evidence that the average discerning consumer can readily recognise the simple “LOVE” mark to be the defendant’s badge of commercial origin through consequent use, promotion or education by the defendant, then the defence under s 23 (2) is available and the registration of the trade mark shall not be declared invalid.

103 However, on reviewing the evidence in its entirety, I find that there is no evidence of use of the simple “LOVE” mark prior to its registration, in particular during the period of 13 months between the registration of “the LOVE Diamond” mark and the registration of the simple “LOVE” mark. Neither is there sufficient use (if at all) after its erroneous registration in breach of s 7, to enable the simple “LOVE” mark to attain a *de facto* distinctive character. My reasons follow.

104 Whilst the simple “LOVE” mark was registered in 1999 at the Intellectual Property Office of Singapore (“IPOS”), it was only in 2002 that The Carat Club begun its operations in Singapore. During that interim period between registration and commencement of business, it is not likely that there was any opportunity for the simple “LOVE” mark to have acquired any distinctiveness in Singapore.

105 The more common or laudatory or descriptive the trade mark, the more compelling will the evidence have to be before the court will be convinced that the trade mark has become *de facto* distinctive of the defendant’s jewellery, especially since the use, in this case, of the simple “LOVE” mark has been accompanied by a far more distinctive and recognisable “the LOVE Diamond” trade mark. The defendant has also not adduced any evidence that a significant number of consumers in Singapore recognise its simple “LOVE” mark as being the defendant’s badge of origin. Given the relatively short time in which the defendant has conducted its business in Singapore, plus the fact that there are so many competitors in the jewellery trade adopting that common word “LOVE” for their trade use, I doubt that the simple “LOVE” mark has acquired any *de facto* distinctive character, unless the defendant can show evidence of intensive advertising and promotion of the simple “LOVE” mark as its trade mark and badge of commercial origin.

106 The defendant contends that its extensive advertising and promotional materials has “*given sufficient exposure to the relevant public so as to render the mark distinctive*”. Also, it submits that

the expense invested in promoting its mark must be considered. In any event, the defendant is unable to provide clear evidence of its expenditure on advertising and promotional materials in relation to the simple "LOVE" mark alone because separate records were not maintained on the amount spent on promoting the "The LOVE Diamond" mark and the simple "LOVE" mark respectively.

107 On the evidence exhibited in the affidavits, I can hardly find any education of the public and the consumers in the form of advertisements and promotions that the simple "LOVE" mark is supposed to be the defendant's distinctive trade mark to denote that the jewellery pieces bearing the simple "LOVE" mark have exclusively originated from one source *i.e.* the defendant. The use, advertisement, promotion, education and website are very much focused on the "The Carat Club" and "The LOVE diamond" trade mark, and to a minimal and ineffective extent, the decorative "LOVE" mark.

108 On the other hand, the use, advertisement, promotion and education of the public of the simple "LOVE" mark as the defendant's distinctive trade mark is next to nil. I cannot find evidence that the simple "LOVE" mark has been inscribed on any jewellery piece originating from the defendant where such inscription is physically possible.

109 Instead, the decorative "LOVE" mark appears to be sporadically inscribed and selectively used more often as part of the overall decorative design of certain jewellery pieces (perhaps as part of a special collection much in the same way that other jewellers have used the word "LOVE" as part of the design of their jewellery items: see p 93, 97, 108, 137, 232 and 291 of Lim YS's affidavit). Neither does it seem to me that the decorative "LOVE" mark has been used as a badge of origin to identify those jewellery pieces as having originated from the defendant when viewed by the average discerning consumer. Since the inscriptions are not of the simple "LOVE" mark but of the decorative "LOVE" mark, it is, to my mind, more likely that the word "LOVE" in its decorative form inscribed on the jewellery is to tell customers that the pieces of jewellery bearing those decorated words are a way of showing or expressing love to their loved ones. Hence, I very much doubt that the average discerning consumer will immediately recognise that the decorative "LOVE" mark engraved on the jewellery items is meant to identify that those pieces could only have originated from the defendant, especially when the average discerning purchaser of jewellery items is also reasonably expected to be cognisant of the fairly indiscriminate and widespread use by some other jewellery traders of the very common word "LOVE" both singly and in combination with other suitable words to denote, market, name and describe in a laudatory fashion their own line of jewellery pieces.

110 From the entirety of the evidence, the simple "LOVE" mark seems to me to be treated very much as a redundant trade mark or a nearly non-existent trade mark by the defendant or as a mark that the defendant does not really trust to exist alone as a trade mark to denote the goods of the defendant. Kerly at [8-127] aptly notes:

"Sometimes the way in which the mark is presented to the public indicates whether the owner really trusts the mark to function as a trade mark."

111 The evidence amply shows that the defendant does not trust the simple "LOVE" mark to function as a trade mark, hence the reliance on alternative forms such as **[Images included\*]** and "LOVE" with the "O" replaced with an actual diamond (presumably a Love Diamond). As the defendant's own evidence shows, the simple "LOVE" mark *per se* has not been registered in any other jurisdiction. The simple "LOVE" mark by itself has never been used solely as a badge of origin. When "used", it is never in its registered form but is always used in the significantly modified form *i.e.* with the addition of other distinctive decorative elements such as a representation of the defendant's specially-cut diamond in place of the 'O'.

**[\*LawNet Admin Note: Images 1 and 2 are viewable only to [LawNet](#) subscribers via the PDF in the Case View Tools.]**

112 With no real efforts made to promote the simple "LOVE" mark as a badge of origin for the defendant's jewellery items, and with non-use of that simple "LOVE" mark in the form as registered (including non-use even in the modified form allowed under s 22 (2) of the TMA), I cannot see how in the eyes of the average discerning consumer the simple "LOVE" mark has managed to attain any *de facto* distinctive character, which immediately denotes the goods to be that of the defendant and of no other traders, bearing in mind that there has been all along continuous and extensive factual use of the word "LOVE" by other jewellers in the course of trade.

113 On the evidence as a whole, I find that the defendant has not discharged its burden to show that the simple "LOVE" mark has by the date of my hearing of this case acquired a *de facto* distinctive character in consequence of its use in relation to the jewellery trade. I have reached this conclusion after carefully reviewing all the evidence presented to me. Accordingly, s 23(2) is not available to the defendant to save the simple "LOVE" mark from invalidation.

#### **Revocation on grounds of non-use of the simple "LOVE" mark -- s 22(1)(a), (b)**

114 If the mark has not been put to genuine or real use for a continuous period of 5 years after it has been registered, it is vulnerable to cancellation on the basis of a lack of genuine use ("**non-use**"), as provided for in s 22(1)(a) and (b) of the TMA. The onus is on the registered proprietor to show what genuine use has been made of the registered trade mark. See s 105 of the TMA.

115 Section 22(2) TMA makes it clear that the use of a trade mark "includes use in a form differing in elements which do not alter the distinctive character of the mark in the form in which it was registered..." for the purpose of s 22(1) of the TMA.

116 Kerly at 2-036 states that:

...underlying policy reasons do not require every mark on the register to be defined with absolute precision. The degree of precision required must depend on the mark itself and its distinctive character. For any mark, there is a degree of permissible variation in its graphical representation. Consider a word-only registration. The graphical representation is the word in capitals in plain type. Such a registration covers the word in a very wide range of typefaces. The variation in presentation is permissible because the distinctive character of the mark resides in the word itself and that does not change.

117 I agree with plaintiff's counsel that the defendant has not been able to show evidence of genuine use of the registered mark in the form it was registered (*i.e.* as a simple word mark "LOVE" in capital letters without any diamond motif decorating or replacing the 'O'), including its use (if any) in the extended sense allowed under s 22(2), *e.g.* in various typefaces or font types which do not alter the distinctive character of the mark as registered. As I shall later explain, adding a motif to the "O" or replacing the "O" with a motif alters the appearance and distinctive character of the simple "LOVE" mark so substantially that it is outside the extended use allowed under s 22(2).

118 What the defendant has shown is some sporadic use for instance by way of inscription on some pieces of its jewellery of a different mark, *i.e.* the decorative "LOVE" mark where a diamond motif has replaced the 'O'. Even the inscription "LOVE" on the jewellery box is with the decorative "LOVE" mark, as far as I can make out from the photocopied document provided in Chan BY's affidavit.

119 Furthermore, the advertisements and promotional materials of the defendant show a predominant use of "the LOVE Diamond" trade mark and the phrases, "The Love Diamond" and "THE CARAT CLUB". An example is the advertising material used in conjunction with an advertising agreement between The Carat Club and DBS Bank in 2006 at p 83 of Chan BY's affidavit which shows the prominence of the words "The Love Diamond" and "The Carat Club"; The Carat Club logo; and the "the LOVE Diamond" trade mark with the letters "TM" indicating clearly that it is a trade mark. Again I cannot discern any use of the simple "LOVE" mark in this advertising material. I doubt very much that any average discerning customer would have thought that the defendant was saying anywhere in the promotional material that the simple "LOVE" mark is its trade mark. On the contrary, that average discerning customer is more likely to conclude that the trade mark of the defendant is nothing else but "the LOVE Diamond" mark. Use of "the LOVE Diamond" mark and use of the words "The Love Diamond" cannot count as use of the simple "LOVE" mark for the purpose of s 22.

120 Of relevance is the case of *Nation Fittings (M) Sdn Bhd v Oystertec Plc* [2006] 1 SLR 712 referred to at [25.3.11] and [25.3.12] in Ng-Loy where the author briefly set out the facts and what the court had said in relation to a registered mark that had been used together with the other trade mark "CONEX" in such a way that the registered mark had become 'subsumed within or intertwined with' the other trade mark:

The proprietor's brand name for its pipe fittings was CONEX, and it had a registration of a mark which resembled a ship's wheel. The proprietor used this registered trade mark as the letter 'o' in CONEX, the brand name used for the pipe fittings. The High Court found that the 'primary or key focus' of the proprietor's use was on the brand name CONEX. Therefore, the use of the registered trade mark within the brand name CONEX could not count as use of the registered trade mark.

121 From all the evidence provided by Chan BY, the defendant appears to have promoted and used the "the LOVE Diamond" mark extensively but the same cannot be said of the simple "LOVE" mark. Counsel for the plaintiff (whom I assume has carefully sieved through all the evidence) informs me that wherever the defendant has actually used the word "LOVE" standing alone, it **always** contains a diamond device or motif in place of the letter "O" and occasionally, a ring is inserted in place of the letter "o" (at p 43 and 44 of Chan BY's affidavit) in the two phrases "True Love declare it" and "one love. one lifetime" in the defendant's advertisements. I have also checked the evidence as best as I can and I confirm the correctness of what counsel had said. There was no evidence of any use of the simple "LOVE" mark *per se*.

122 The defendant's evidence of sales turnover of jewellery items purportedly for **both** marks and evidence of expenditure of advertisements purportedly for **both** marks are misleading. From the exhibits provided, it appears that the sales turnover and advertisement expenditure are only for one mark, *i.e.* "the LOVE Diamond" mark and not both. Hence, I find that essentially nothing was done to educate the members of public of the fact that the simple "LOVE" mark is its registered trade mark and represents a reliable badge of origin for the defendant's jewellery.

123 Although I can readily see that the decorated word "LOVE" has been engraved on some jewellery pieces of the defendant, the important question is (a) whether such engravings of the decorated word "LOVE" word in law (given the extended meaning of "use" in s22(2)) amount to relevant use of the simple "LOVE" mark for the purpose of the TMA; and (b) whether the decorative "LOVE" mark is used in the trade mark sense as a reliable indicator of the commercial origin of the jewellery pieces or were those decorative "LOVE" engravings merely forming part of the overall design of the jewellery items where "reasonably well informed and circumspect" customers are **not likely** to identify or associate them with the defendant's simple "LOVE" mark as its trade mark of commercial origin. I find that the latter is more plausible, *i.e.* that "reasonably well informed and circumspect" customers are

unlikely to associate the decorative "LOVE" mark as being a trade mark of the defendant, and even less so as a representation of the simple "LOVE" mark. This is especially when the defendant's other trade mark "the LOVE Diamond" appears far more dominant in most, if not all, of the advertisements and promotional materials. To belabour the point, the defendant has not made clear that the simple "LOVE" mark is meant to be its trade mark from the manner the simple "LOVE" mark is used, or from the way the advertisement and promotional materials are presenting the various other trade marks of the defendant. Hence, the customer is likely to be led to believe that the decorative "LOVE" inscriptions (with "O" replaced by a motif) are merely the promotional efforts of the defendant to indicate the jewellery items to be part of its series of "Love Collection" jewellery in much the same way as the other jewellers are doing and it can hardly be said that those "LOVE" inscriptions or decorative "LOVE" marks can constitute sufficient evidence of "genuine use" of the simple "LOVE" mark for the purpose of the TMA.

124 The defendant then argues that its use of "the LOVE Diamond" mark also bearing the decorative "LOVE" mark is tantamount to use of its simple "LOVE" mark. I disagree that the use of "the LOVE Diamond" mark constitutes the simultaneous use of the simple "LOVE" mark (or for that matter the decorative "LOVE" mark), just because the word "LOVE" in its decorative form has been embedded and subsumed within the "the LOVE Diamond" mark. In fact, it evidences the use of a different and well-known trade mark of the defendant *i.e.* "the LOVE Diamond" mark but not the simple "LOVE" mark. In my view, for the simple "LOVE" mark to be validly and genuinely used in the course of trade as a trade mark, it must be used substantially standing by itself as a clear, distinct and separate badge of origin of the defendant's goods and not be re-decorated with a motif design for the "O" and then intertwined with the other very prominently promoted trade mark "the LOVE Diamond". Embedding the simple "LOVE" word mark within other marks, themes, words or phrases like "the LOVE Diamond", "The LOVE jewel", "The LOVE Ring", "LOVE heart bracelet", "Elvish LOVE Pendant" or "Glittering LOVE Ruby necklace" again in my view does not constitute "genuine use" of the "LOVE" mark as such for the purpose of the TMA. If this were not the case, then there are, as I write, already many instances of infringements of the defendant's simple "LOVE" mark by those in the jewellery trade as seen from the extensive usage in [24] above by other jewellers, for which the defendant does not appear to be pursuing infringement actions against them to protect its registered simple "LOVE" mark.

125 I accept the submission of counsel for the plaintiff that s 22(2) does not assist the defendant at all. The decorative "LOVE" mark differs substantially from the simple "LOVE" mark. Visually, the substantial difference is readily apparent. The addition of or substitution with the decorative motif design for the "O" has substantially altered, and in fact vastly improved the identity, image, uniqueness and distinctive characteristic of the rather simple "LOVE" mark, and has turned it into a very different mark. The decorative "LOVE" mark is thus much more attractive, eye-catching and has a rather different distinctive characteristic because of the very decorative and outstandingly different element within it, which an average discerning consumer will immediately recognise to be a mark that is substantially different in its distinctive character from the simple "LOVE" mark, which in my view lacks distinctiveness in the first place (although it has a capacity-to-distinguish and qualifies as a trade mark). As such, the use of the decorative "LOVE" mark or similar variants thereof (see p 48, 60 and 80 to 82 of the Chan BY's affidavit) by the defendant does not amount to use of the simple "LOVE" mark within the meaning of s 22 (2) of the TMA.

126 Counsel for the plaintiff explained that the motif that has replaced the "O" is a reference to a type of diamond that the defendant sells. The motif represents the "eight hearts and eight arrows in perfect symmetry" readily visible from the International Gemological Institute's certificates at pages 86, 88, 90 and 91 of Chan BY's affidavit and from the defendant's advertisements at (for example) p 43. This is clearly the actual cut of the defendant's diamonds. I agree with the submission of

plaintiff's counsel that as a result of the very particular and specific replacement of the letter "O" with the diamond motif, the difference adds an element that significantly changes the visual and conceptual distinctiveness of the simple registered "LOVE" mark. *A fortiori*, the use of the "the LOVE Diamond" mark will have changed the entire distinctive character of the simple "LOVE" mark and should also not constitute use of the simple "LOVE" mark.

127 Similarly, the use of the phrase "THE LOVE DIAMOND" bears substantial visual and aural differences with the use of the simple "LOVE" mark. The phrase alters the characteristic of the simple "LOVE" mark by focusing on the concept of the word "diamond" and therefore, s 22(2) again does not avail itself to the defendant. Therefore, the use of the phrase "THE LOVE DIAMOND" by the defendant does not constitute any use of the "LOVE" mark. Neither does the use by the defendant of the other phrases "LOVE TREATS" or "TRUE LOVE PENDANT" assist the defendant in this regard. They also do not in my view constitute trade mark use of the simple "LOVE" mark for the purpose of s 22(2) because those other phrases (with other words added to the word "LOVE") bear different distinctive characteristics and meanings from the simple "LOVE" mark. Any distinctive characteristic in a simple word mark (like the simple "LOVE" mark) comes only from the word itself. Hence, by adding another word to change its meaning alters the distinctive character of the mark.

128 The burden is on the defendant to show genuine use in the course of its jewellery trade in Singapore of the simple "LOVE" mark within the period of 5 years following the date of completion of the registration procedure on 16 October 2001. The defendant has failed to discharge this burden on the evidence it has produced. No proper reason has been furnished for non-use of the simple "LOVE" mark as registered for more than 5 years following its registration. The defendant's absence of usage (including usage in the extended sense under s 22(2) ) of the simple "LOVE" mark thus throws suspicion as to whether the simple "LOVE" mark was really intended by the defendant to be used as its trade mark or as a means to unfairly monopolise a word commonly used by other jewellery traders, an idea conceived as an afterthought to the registration of "the LOVE Diamond". I am of the view that jewellers should be entitled to use the word "LOVE" freely whether as a laudatory description or otherwise, when they advertise, promote and market their jewellery items as the best possible gift and expression of love.

129 Accordingly, I am revoking the registration of the simple "LOVE" mark for non-use under s 22 (1) of the TMA.

## **Conclusion**

130 For the reasons I have given, I therefore grant the plaintiff's application and declare the registration of the defendant's simple "LOVE" mark to be invalid pursuant to s 23(1) of the TMA. I also grant the plaintiff's application on the alternative ground that the registration of the trade mark be revoked pursuant to s 22(1) of the TMA on the basis of non-use.

131 I will now proceed to hear the parties on costs.

## **ANNEX A**

**[LawNet Admin Note: Image 3 is viewable only to [LawNet](#) subscribers via the PDF in the Case View Tools.]**

The Venn diagram above is a pictorial representation of the categories of marks envisaged by the

Trade Marks Act. Sections 7(1) and 7(2) of the Trade Marks Act which set out the absolute grounds for refusal of registration are represented by boundaries X, Y and Z.

The region outside boundary X represents marks which do not qualify as trade marks for the purpose of the Trade Marks Act and can never be registered (see s 2(1) read with s7(1)(a)), for example an intended mark called "SOAP" for soap. Marks which fall within boundary X are trade marks since they are capable of distinguishing goods or services dealt with or provided in the course of trade by a person from goods or services so dealt with or provided by any other person (s 2(1)). The shaded region represents trade marks which have either inherent distinctiveness or *de facto* distinctiveness. A trade mark which falls within the shaded region at the date of application for registration is immediately registrable under the Trade Marks Act since it is a trade mark which immediately distinguishes the trader's goods or services as originating from that trader. A trade mark which has not attained a distinctive character / distinctiveness at the date of application for registration cannot immediately do the job of distinguishing a trader's goods or services as originating from that trader and therefore it is not immediately registrable and is only a potentially registrable trade mark.

(Note that the size of the areas delimited by boundaries X, Y and Z can increase or decrease with time. For instance the word "Aspirin" would have been an inherently distinctive trade mark for a drug (acetylsalicylic acid) that relieves pain, reduces inflammation and fever, and has an "anti-clotting" effect. Today however, the word "Aspirin" has become synonymous with such a drug and is thus not registrable. This is represented pictorially by a decrease in the area delimited by boundary Y since the word "Aspirin" for such a drug no longer falls within but outside boundary Y. The area delimited by boundary Z can also change with time. For example, the area delimited by boundary Z increases when a trade mark originally only with the potential to have distinctiveness later acquires *de facto* distinctiveness through use and advertising by the trader. The reverse can also occur when this *de facto* distinctiveness acquired by the trade mark is lost through disuse of the trade mark with time, in which case the area delimited by boundary Z then decreases.)

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Love & Co Pte Ltd v The Carat Club Pte Ltd  
[2008] SGHC 158

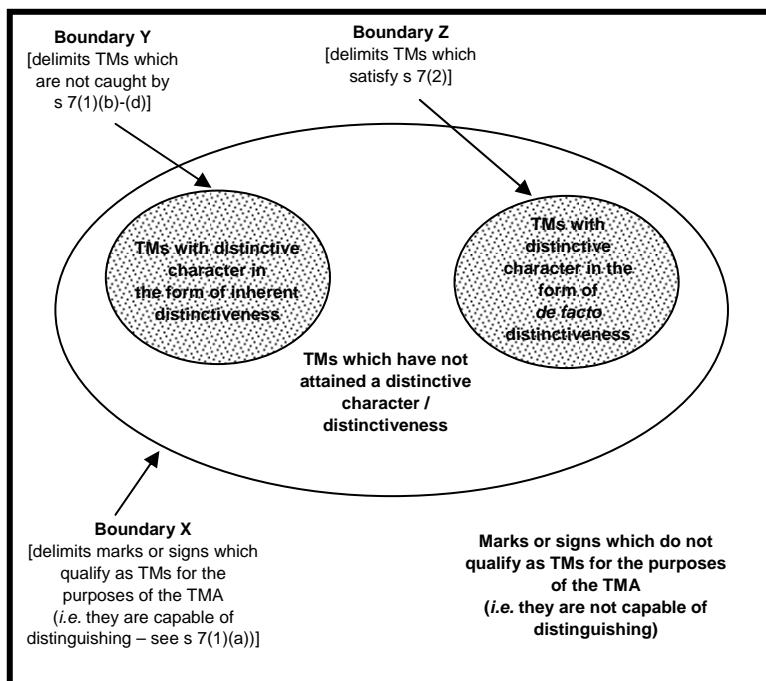
Image 1



Image 2



Image 3



*TM – abbreviation for the words “trade mark”*

*TMA – abbreviation for the words “Trade Marks Act”*