

Chai Chyau Ling (doing business as Racetech Auto) v Racing Technology Pte Ltd
[2009] SGHC 105

Case Number : Suit 422/2008, RA 393/2008
Decision Date : 04 May 2009
Tribunal/Court : High Court
Coram : Chan Seng Onn J
Counsel Name(s) : Patrick Chin (Chin Patrick & Co) (instructed) and G Dinakaran (Thomas Tham Dinakaran & Company) for the defendant/appellant; G Radakrishnan (Infinitus Law Corporation) for the plaintiff/respondent
Parties : Chai Chyau Ling (doing business as Racetech Auto) — Racing Technology Pte Ltd

Trade Marks and Trade Names

4 May 2009

Chan Seng Onn J:

Introduction

1 This is an appeal brought by Racing Technology Pte Ltd ("the Appellant") against the decision of AR Teo Guan Siew ("the AR") delivered on 6 October 2008.

2 In the application before the AR, the plaintiff, Chai Chyau Ling doing business as Racetech Auto (the Respondent in this appeal), had claimed infringement of her registered trade mark and passing off of her trade name and trade mark. Eventually, the AR awarded summary judgment under O 14 of the Rules of Court (Cap. 322, R 5, 2006 Rev Ed) to the Respondent. Being dissatisfied with the AR's decision, the Appellant brought the present appeal.

3 After hearing arguments from counsel on both sides, I concurred with the findings of the AR and accordingly dismissed the appeal. My reasons are given below.

Background facts

4 Both the Appellant and the Respondent are in the business of vehicle-related services. The Respondent is the registered sole-proprietor of the business 'Racetech Auto' ("Racetech"), though the business, which was registered on 24 October 1998, is actually run by her husband, one Teo Seng Yew, also known as Roland Teo ("Roland Teo").

5 The Respondent is also the registered proprietor in Singapore of the trade mark "**RACETECH**" ("the Trade Mark") under registration number T0623173D in class 37. The Trade Mark, which is of a unique typeface and registered without limitation of colour, was registered on 20 October 2006 with the disclaimer that the registration gave no right "to exclusive use separately of "Race" and "Tech"".

6 Prior to Racetech's registration on 24 Oct 1998 and the registration of the Trade Mark on 20 October 2006, Roland Teo had actually been carrying out the same business as Racetech, only that it was under the trade name, 'Racetech Autosports Accessories' ("RAA"), which was registered in September 1988. Roland Teo was the sole registered proprietor of the business, which trade name was 'Racetech' and the Respondent then assisted him with the accounts and administrative work, as

is the case today with Racetech. On 15 October 1998, RAA de-registered, shortly before Racetech was registered. The Respondent acquired from RAA the goodwill in the business relating to vehicle-related services using the trade mark and trade name Racetech. There were thus no operational changes. The change was merely cosmetic, with the same business being registered under the Respondent's name now, and the business reflecting a truncation of 'Racetech Auto Accessories' in the new name 'Racetech Auto'.

7 During the period 1988 to 1998 when RAA was in business, it used 'Racetech' as its trade name and "**RACETECH**" then unregistered as a trade mark, to provide vehicle-related services. According to the Respondent, she had been advised by her solicitors to strengthen her claim of infringement and passing off of the Trade Mark by registering it, as the Respondent had by then discovered the Appellant's use of 'RACETECH/Racetech' in its services.

8 The Appellant is presently a subsidiary under the Fong Kim Group of Companies. On 1st October 1978, Fong Kim Exhaust System ("Fong Kim") was incorporated, and was engaged in the business of vehicle-related services, including the repair, maintenance, modification and performance enhancement of vehicles. In short, it provided similar, if not identical, services as the Respondent.

9 In 2002, Fong Kim was converted into a private limited company ("Fong Kim Pte Ltd"). In 2004, the then Managing Director of Fong Kim Pte Ltd, one Tan Kim Hui also known as Ricky Tan ("Ricky Tan"), decided to set up Racing Technology Pte Ltd, the Appellant in this appeal. The Appellant was incorporated on 2nd May 2006 and its logo comprises the words "RACE TECH" ("the Logo") in a typeface similar, at least to an untrained eye, to that of the Respondent's "**RACETECH**". The Appellant did not register its Logo as a trade mark.

10 Before the Respondent commenced the application for summary judgment, it had through its lawyers from CK Teo & Co., sent two letters dated 5th December 2007 and 18th December 2007 respectively, requesting the Appellant to desist from using the Logo as a trade name or mark for its business. However, the Appellant only replied through its lawyers that it hoped the Respondent would "hold hands in the interim". Another letter was sent by the Respondent's new solicitors, Infinitus Corporation, dated 26 March 2008, where it informed the Appellant that it would commence legal action if the Appellant did not agree to the Respondent's demands by close of business on 2 April 2008. The Appellant's solicitors, Kertar & Co., then replied in a letter dated 2 April 2008 that it was taking instructions from its client and would "revert soonest" and to "please hold hands in the interim". The Respondent's rejoinder through its solicitors was that "we are prepared to hold our hands only until close of business Wednesday, 9 April 2008." It appears that the Appellants thereafter neglected to give a substantive reply to the Respondent's concerns and pursuant to their previous correspondence, the Respondent commenced Suit No 422/2008/J for infringement and passing off of the Trade Mark as reflected in a letter dated 19 June 2008.

Hearing before the AR

Submissions of the Plaintiff (Respondent)

11 In its written submissions, the Respondent alleged that the Appellant had infringed its Trade Mark by dint of the Appellant's advertising in motoring magazines, through use of its signage and the trade name/Logo, "Racetech"/ "RACE TECH", and by rendering services under the trade name/Logo without the Respondent's consent. The Respondent also alleged infringement in the Appellant's website address www.racetech.com.sg (the "domain name") and email address, sales@racetech.com.sg. The Respondent's email address is racetech@singnet.com.sg. It was the Respondent's assertion that the Appellant's acts of rendering services, amongst other things, under

the trade name/Logo without the Respondent's consent was likely to confuse the public given that the services rendered by the Appellant were similar to the registered services of the Respondent and therefore, the Appellant had infringed the latter's Trade Mark and flouted section 27(2) of the Trade Marks Act (Cap. 332, 2005 Rev Ed) (the "TMA").

12 Additionally, the Respondent also alleged passing off of its Trade Mark and trade name by dint of the Appellant's use of the trade name "Racetech" in its corporate signage and domain name.

13 The Respondent claimed that having acquired valuable goodwill in the business of provision of vehicle-related services under the Trade Mark "**RACETECH**" and substantial reputation in it, it had sustained losses and damages through the Appellant's infringement of its Trade Mark and passing off of its trade name and Trade Mark. Consequently, it claimed *inter alia*, an injunction restraining the Appellant (and its relevant personnel) from invoking the use of a trade mark identical with or similar to the Trade Mark and an inquiry into damages occasioned to the Respondent.

Submissions of the Defendant (Appellant)

14 In the interests of economy and coherence, only the arguments which directly pertain to the Respondent's allegations and are hence relevant to the Appellant's defence are enumerated here. The three main planks of the Appellant's arguments were that (i) its "RACE TECH" Logo is dissimilar to the Respondent's "**RACETECH**", drawing a distinction between the typeface, colours, lettering and spacing of the letters in the respective marks; (ii) the Respondent had actually copied the Appellant's Logo and registered the Trade Mark in bad faith and/or the Trade Mark is devoid of any distinctive character and is hence invalid; and (iii) the Appellant had the consent of the Respondent to continue the use of the trade name/Logo RACETECH/Racetech.

15 In claiming for damages and losses, the Appellant alleged that it had acquired goodwill and reputation in the trade name "RACE TECH" and that there was publicity of its Logo before the Respondent registered the Trade Mark on 20 October 2006. Further, it alleged that RAA had never been in the business of vehicle-related services and hence the Respondent could never have acquired any goodwill when the business was registered as 'Racetech Auto'. The Appellant counterclaimed against the Respondent, *inter alia*, for revocation of the Trade Mark under s 22 TMA; a declaration of invalidity under s 23 TMA and passing off of its distinctive trade name of "RACE TECH".

The AR's decision

16 The AR's findings were three-fold:

(i) that the Appellant's logo was "identical to the [Respondent's]" and that "[e]ven if not identical, the sign [was] clearly similar such that there exists likelihood of confusion.";

(ii) the Appellant could not avail itself of a s 28 TMA defence for even if the Appellant had used the mark before the Respondent's registration of the Trade Mark, the Respondent's prior use dating back to 1988 (when RAA was in business) would defeat the Appellant's s 28 defence; and

(iii) the alleged consent from the Respondent to the Appellant in using the RACETECH mark was "only a bare allegation from the [Appellant's] employee with no details or documentary support at all".

In finding that the Appellant had raised no triable issue, the AR found that summary judgment was warranted and that there had indeed been infringement and passing off of the Trade Mark.

17 It is worth mentioning at this stage that before the AR, the Appellant had “concede[d]” that the s 28(2) defence was not available to it. In view of this, I do not think it productive to address this argument in full since it has plainly been disposed of before the AR and by the Appellant’s counsel no less. Suffice to say, s 28(2) which provides that use of an infringing trade mark prior to the registration of the infringed trade mark is a defence, cannot apply to the facts of this case.

18 Dissatisfied with the AR’s decision, the Appellant brought this appeal.

The Present Appeal

19 The issues in this appeal are identical to the ones in the O 14 application *i.e.*

(i) whether the Appellant is infringing the Trade Mark by using without the Respondent’s consent the trade name/Logo RACETECH/Racetech for its vehicle-related services; and

(ii) whether the Appellant is committing passing off of the trade name and Trade Mark RACE TECH/Racetech by using without the Respondent’s consent the trade name/Logo RACETECH/Racetech for identical or similar services.

The Infringement Claim

The law

20 It is *apropos* to set out here the governing legislation for infringement of a trade mark from the TMA -

Acts amounting to infringement of registered trade mark

27. —(1) A person infringes a registered trade mark if, without the consent of the proprietor of the trade mark, he uses in the course of trade a sign which is identical with the trade mark in relation to goods or services which are identical with those for which it is registered.

(2) A person infringes a registered trade mark if, without the consent of the proprietor of the trade mark, he uses in the course of trade a sign where because —

(a) the sign is identical with the trade mark and is used in relation to goods or services similar to those for which the trade mark is registered; or

(b) the sign is similar to the trade mark and is used in relation to goods or services identical with or similar to those for which the trade mark is registered,

there exists a likelihood of confusion on the part of the public.

...

Acts not amounting to infringement

28. —(1) Notwithstanding section 27, a person does not infringe a registered trade mark when —

...

(2) Notwithstanding section 27, a person does not infringe a registered trade mark by using an

unregistered trade mark that is identical with or similar to the registered trade mark in relation to goods or services identical with or similar to those for which the trade mark is registered if he, or he and his predecessor in title, have continuously used in the course of trade the unregistered trade mark in relation to those goods or services from a time before —

(a) the date of registration of the registered trade mark; or

(b) the date the proprietor of the registered trade mark, or a predecessor in title, or a person who was a registered user of the trade mark under the repealed Act, first used the trade mark,

whichever is the earlier.

(3) Notwithstanding section 27, a registered trade mark is not infringed by the use of another registered trade mark in relation to goods or services for which the latter is registered.

...

[UK Trade Marks Act 1994, s. 11; Aust. Trade Marks Act 1995, ss. 122, 124]

Are the marks used by the Appellant and Respondent identical to each other?

21 It is worth noting at the outset, that the Appellant has not denied using its Logo as such, *i.e.* it is not disputing that it is using "RACE TECH/Racetech" as a trade name/trade mark rather than a sign. Hence the invidious exercise of inquiring whether infringement under s 27(2) TMA requires that there be use of the offending mark as a trade mark in the first instance does not have to be dealt with here. It is clear that the Appellant has indeed used its mark as a trade mark, as can be seen from its shop front, magazine articles and its website (as well as other materials). Nonetheless, in the unlikely event that this should be an issue, my views accord with those of Phang J in *Nation Fittings(M) Sdn Bhd v Oystertec Plc and Another Suit [2006] 1 SLR 712* ("*Nation Fittings*") where he expressed his view that "...there ought to be the requirement that there be use as a trade mark in the context of alleged trade mark infringement" and the requirement of trade mark use "in the context of infringement under the TMA is both logical and fair." (at [62] and [72] respectively).

22 S 27(2) TMA attracts other interpretive difficulties as well. Previously, there had been two approaches towards finding infringement under s 27(2)(b) - the "global assessment test" and the more systematic approach under *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 ("*British Sugar*"). That uncertainty has now been resolved in favour of the latter test, where the Court of Appeal in *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR 690 ("*The Polo/Lauren*") found that the approach in *British Sugar* was "conceptually more appropriate and...in line with the structure of [s 27(2)(b) TMA]" (at [8]). The global assessment test which regarded the consequence of confusion caused to the public as being the *sole* deciding factor of a successful infringement claim was thereby rejected in favour of the *British Sugar* test, which was more congruent with the statute and emphasized that the public confusion had to *arise from the similarity* between the marks. The court in that case did note however, that practically, both tests would achieve the same results.

23 The test for infringement is helpfully enunciated by the Court of Appeal in *The Polo/Lauren* where at [8] it averred that:

...It seems to us that there will be infringement under that provision only if three conditions are

present. First, the alleged offending sign must be shown to be similar to the registered mark. Second, both the sign and the mark must be used in relation to similar goods or services. Third, on account of the presence of the first two conditions, there exists a likelihood of confusion on the part of the public. ... s 27(2)(b) does not make it an infringement if the likelihood of confusion is caused by some other factor. While we can see some link and overlap between the first and the third conditions, it is clear that they are different. The fact that a sign is similar to a registered mark does not automatically mean that there will be a likelihood of confusion on the part of the public. That is a question of fact to be determined by the court, taking into account all the relevant circumstances. Moreover, the question of similarity is really a matter of degree. In a broad sort of sense, the greater the similarity between a mark and a sign, the greater will be the likelihood of confusion. However, if either of the first two conditions is not satisfied there will not be any need to go into the third question of determining whether there exists a likelihood of confusion. Neither does it mean that if the mark and the sign are similar, and they are used on similar goods, that there will ipso facto be confusion in the minds of the public. If that was intended, s 27(2)(b) would have been phrased differently. As presently worded, there is no presumption of confusion once the two aspects of similarity are present. To determine the existence of confusion, the court is entitled to look outside the mark and the sign, as well as the articles, to assess whether there exists a likelihood of confusion: see *Kellogg Co v Pacific Food Products Sdn Bhd* [1999] 2 SLR 651 and *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR 177.

[own emphasis]

24 What is of especial import in the above passage are the principles that first, the confusion must arise from the fact that the offending sign is similar to the trade mark it is infringing, *and* both the sign and trademark relate to usage on similar goods and services; second, that simply because the trademark and sign are similar does not give rise to the presumption of confusion and third, the court is entitled to look beyond the intrinsic factors in determining whether confusion in the minds of the public exists.

25 In the present case, based on the pictorial evidence adduced by the parties, the Respondent has been using the registered form of the Trade Mark (in what I perceive to be an orange-red colour) consistently in advertisements, its shop front and magazine publications. The Appellant's trade mark on the other hand, it asserts, is coloured in "pantone coated red" and "pantone coated black". The Appellant has also averred that there is a spacing between the words "RACE" and "TECH" in its trade name/Logo, unlike the Trade Mark of the Respondent, "**RACETECH**" and that the first two letters "RA" in its trade name/Logo are different from that in "**RACETECH**". A careful scrutiny of both marks would also reveal that the font type used is different for both marks. There are thus undeniably, differences in the Trade Mark and the Appellant's Logo and it could be doing violence to the English language to conclude that the trade name/Logo is identical to the Trade Mark. As Phang J observed in *Nation Fittings* at [85],

...[if] the very concept of "identical" entails a strict interpretation, then even minor differences would suffice.

And at an earlier paragraph (at [78]), Phang J also noted the European Court of Justice decision of *SA Société LTJ Diffusion v Sadas Vertbaudet SA* [2003] FSR 34, where the court observed at [50] of its judgment that:

The criterion of identity of the sign and the trade mark *must be interpreted strictly*. The very *definition* of identity implies that the two elements compared *should be the same in all respects*.

[emphasis added]

26 Whilst such a strict interpretation is salutary perhaps to the promotion of the English language, in my view, for the purposes of trade mark infringement, minor differences which are insignificant (as I have found to be so in the present case and this is dealt with in the section below) can give rise to “identity” between the infringing and infringed trade marks. As was observed in Kerly’s *Law of Trade Marks and Trade Names* (14th edition, 2005) (“Kerly’s”) at paragraphs 14-051 to 14-053:

Once the defendant’s sign has been identified it must be compared with the registered mark to determine if it is identical. Again, this is a matter to be considered from the perspective of the average consumer. A sign will be identical with the registered mark where it reproduces, without any modification or addition, *all the elements constituting the mark or were (sic), viewed as a whole, it contains differences so insignificant they may go unnoticed by the average consumer.*

Accordingly, in the case of any accused sign which has some visual significance, one must take that into account in considering the question of identity. The visual impact may be slight, but it will count even if the marks are identical to the ear. There can only be “identity” if there is both *aural and visual identity*.

Similarly, it has been said that the mark and sign must be so close that one could be considered a counterfeit of the other. Any addition which has some trade mark significance cannot be ignored.

[own emphasis]

27 In *Louis Vuitton Malletier v City Chain Stores (S) Pte Ltd and Another Matter* [2009] SGHC 24 (“*Louis Vuitton*”), Tay J cited the above passage from Kerly’s with approval (at [69]) and found in the case at [71] that there were “differences in the two designs [of the plaintiff and the defendant] but they are not of any real significance” and that certain features may be “marginally different” from the plaintiff’s trade mark, but were “hardly noticeable when one is looking at the two designs [of the plaintiff and defendant] holistically”.

28 I am persuaded to adopt the principle as enunciated in Kerly’s and the manner in which it was given effect to in Tay J’s decision. It is my view that indeed, in the present case, the differences between the Trade Mark and Logo are subtle to the point of being inconsequential and hence they are “identical” for the purposes of trade mark infringement. In fact, it is likely that they could be considered to be a “counterfeit of the other” and hence, I find that the Logo attracts s 27(1) of the TMA. Accordingly, the Appellant has infringed the Trade Mark of the Respondent.

Are the marks used by the Appellant and Respondent similar to each other?

29 Though I have held that the Trade Mark and Logo are identical to each other, I acknowledge that there might be divergence of views as to whether they are indeed so. Assuming that my view that they are identical is not tenable, I shall then consider whether they are confusingly similar to each other instead. In this regard, it is observed that the test of similarity is less exacting than the test of identity, which is unsurprising.

30 In cases involving trade marks, it is often the consumer perception that can make or break a claim and I do not think this is an overstatement or generalisation. Quite naturally then, as with other areas of the law, the court is concerned when deciding whether there is similarity between two marks with the perception of the “average consumer” who is “reasonably well-informed and reasonably observant and circumspect” (see *Love & Co Pte Ltd v Carat Club Pte Ltd* [2008] SGHC 158, European

Court of Justice decision of *Lloyd Schuhfabrik Meyer & Co GmbH v Klijsen Handel BV* [2000] FSR 77). At [27] of the latter, which was cited at [90] of *Nation Fittings*, the Court also opined that "...account should be taken of the fact that the average consumer only *rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind*" (own emphasis) and that "the average consumer's level of attention is likely to vary according to the category of goods or services in question".

31 Though it was noted by Phang J at [90] of his judgment that the above case as well as others that he had cited in support of the above proposition had adopted the "global assessment test", which was subsequently rejected by Lai Kew Chai J in the *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR 816 ("*The Polo case*"), he however said at [95] there is "no inherent contradiction between the global assessment test...and the more specific approach embodied within the older English jurisprudence..." . Further, the Court of Appeal in *The Polo/Lauren* also concurred with Associate Professor Ng Loy Wee Loon's observations in her case note entitled "The Polo Match in Singapore: England vs Europe?, *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* "

Naturally, because the question of similarity between goods depends on the facts of each case, it is highly likely that this doctrinal difference in the two approaches [the "global assessment test" and British Sugar test] will not have a material impact in practice. Two tribunals comparing the same two sets of goods may very well come to the same conclusion on the question of similarity between the goods, even though one tribunal is applying the English approach whilst the other tribunal is applying the European approach and has to be less strict on this issue.

(at [95] of *Nation Fittings*)

With this legal minefield out of the way, I cross over to the matter at hand.

32 As mentioned above, both the Trade Mark and Logo are spelt "RACE TECH/Racetech". The Appellant has used the Logo as its trade name/logo and cannot deny that it is not used in the trade mark sense. As conceded by both parties, the distinctive element of the RACETECH/Racetech marks lie in the portmanteau that the mark is. As affirmed by both the Respondent and the Appellant, the word 'Racetech' is derived from the words "race" or "racing" and "technology" and therein lies the distinctiveness of the mark. The visual similarity is thus readily apparent. Both words are spelt in the exact same manner and in similar font type. However, this fact alone does not mean that confusion is consequently generated. The Court of Appeal in *The Polo/Lauren* noted at [10], without disapproval, the following observations of Lai Kew Chai J at [26] of *The Polo case*:

...In cases where there is a common denominator, it is important to look at the differences between the mark and the sign in order to decide whether the challenged sign has been able to distinguish itself sufficiently and substantially...In *Samsonite Corp v Montres Rolex SA* [195] at 244....it was held that just because the registered mark was wholly included in the challenged sign, it did not mean that it would necessarily cause confusion between the two.

[own emphasis]

Lai J then went on to determine if the plaintiff's registered mark was so distinctive that the differences "would not negative the similarity." He eventually found that the plaintiff's "POLO RALPH LAUREN" mark, was "somewhat distinctive but not strikingly so" and hence, although the plaintiff's mark and the defendant's "POLO PACIFIC" sign shared the "common denominator" of the word 'POLO', owing to the different font, different design and the "PACIFIC" suffix, these material distinctions

rendered it dissimilar to the plaintiff's mark. The Court of Appeal in *The Polo/Lauren* agreed with Lai J's finding.

33 In the present case, the "common denominator" of the Trade Mark and trade name/Logo is the word RACETECH. What then are the differences between the Trade Mark and Logo, and are they such that the Logo can be "distinguished sufficiently and substantially" from the Trade Mark? The Appellant at the outset has iterated that the Respondent's Trade Mark registration does not include colour, 3-dimensional shape or aspect of packaging claims; it also contains a disclaimer on the exclusive use of the words "RACE" and "TECH" separately. These facts whilst undisputed, do not aid in its argument that the Logo and trade name of RACETECH/Racotech that it uses is dissimilar from the Respondent's Trade Mark.

34 In my view, the differences are minor, insignificant and inconsequential. Indeed, only when juxtaposed against each other would the differences become noticeable -- one would see that the colours in the trade name/Logo are a different hue of red from that used in the Trade Mark and that the former uses a black colour; upon a prolonged gaze one might detect a space between "RACE" and "TECH" in the trade name/Logo; upon careful scrutiny, one might realise that there is a subtle difference in the font type used in the Trade Mark and trade name/Logo and that the first two letters "R" and "A" in the Logo are presented differently from that in the Trade Mark. Yet, the average consumer "rarely has the chance to make a direct comparison between the different marks but must place his trust in the imperfect picture of them that he has kept in his mind" and that "the average consumer's level of attention is likely to vary according to the category of goods or services in question" (*supra*, [\[24\]](#)).

35 At a cursory glance, the signboard on the Appellant's shopfront (as seen from the pictorial evidence) is similar to the Respondent's "**RACETECH**" Trade mark such that it convincingly passes off as the Trade Mark itself, notwithstanding the different colours used. As highlighted earlier, the average member of the public does not scrutinise trade marks microscopically nor does he possess a photographic memory of the trade marks he comes across. It thus cannot be expected of the public, especially members who are not well-acquainted with the industry to distinguish the visual differences in font type, colour and arrangement of the letters in the respective trade marks. As reiterated, the distinctive feature of the Trade Mark is the portmanteau "RACETECH".

36 As was pointedly observed in the decision of the Singapore Registry of Trade Marks and Patents in *Lee Cooper Group plc v Levi Strauss & Co* [1995] AIPR 457:

Words 'talk' in trade marks. Thus, if a mark consists of a device in combination with a *distinctive word* (ie a word of a trade mark nature), *it is most likely that it is by the word that the public will normally order goods under the mark*. Therefore, where two marks resemble each other to the extent that they each contain a similar device, the overall resemblance between them will generally be lessened if they bear words of a trade mark nature which are entirely different from each other.

[own emphasis]

37 This quotation underscores the significance and purpose of word marks in that even if the distinctive word is used in conjunction with a device, it is most likely the word and not so much the device that leaves an impression on the minds of people and persuades them to buy from the trader owning that word mark. I pause here to note that the above quotation refers to "distinctive word" and "words of a trade mark nature" and that the portmanteau that "RACETECH" is can be argued to fall outside such a definition, as it is evident that standing alone, RACE and the abbreviation, TECH,

themselves are words in the English language. However, this does not render the above principle inapplicable. It only shows up the reduced distinctiveness RACETECH possesses as compared to a word mark like "Volvo". But there is no such word as RACETECH in the English language and therein lies its distinctiveness.

38 Consequently, it is no defence for the Appellant to assert that the Logo is dissimilar to it because (i) the colours used in its Logo are different from that of the Respondent's; (ii) the lettering and font type is different and (iii) that there is a spacing in between the words "RACE" and "TECH" in its trade name/Logo ("RACE TECH"). I shall deal with these issues in *seriatim*.

39 First, where the distinctiveness of the Trade Mark lies in the word itself, the colour(s) of the infringing Logo is immaterial. It is thus irrelevant that the Logo is of a different colour to the Trade Mark, for the distinctiveness lies in the word itself- it cannot be that Trader A, whose trade mark is similar to Trader B's registered trade mark (without limitation of colour) in *all salient* respects which give rise to its distinctiveness except for colour, can argue that his trade mark is still distinct and dissimilar to Trader B's simply by virtue of the differences in colour(s). This would emasculate the protection afforded under s 27 TMA. In fact, there is an interesting trade mark case which is germane to this issue. In *Amanresorts Limited and Another v Novelty Pte Ltd* [2008] 2 SLR 32 ("*Amanresorts*"), the offending trade mark, "Amanusa", was the exact same word as the trade mark that was eventually held to have been infringed. Tay J observed at [56] that

In the present case, we are dealing with two developments bearing exactly the same name - nothing more, nothing less than "Amanusa". *It matters not that different fonts or colours are used by the parties in setting out the name. "Amanusa", in whatever font or hue, will still be pronounced the same way...*The plaintiff's burden is therefore lightened to the extent that they do not have to demonstrate the visual or aural similarities between their name and that used by the defendant.

[own emphasis]

40 I fully concur with Tay J's reasoning in *Amanresorts* that font type and colour are immaterial in word marks where the distinctiveness rests within the word itself. That reasoning applies with even greater force in the present case where the font type of the Logo is actually very similar to that of the Trade Mark and the colours are arguably similar as well. If obvious features such as colour and font type are ineffectual to distinguish sufficiently the Logo from the Trade Mark, then the spacing between "RACE" and "TECH" in the trade name/Logo must also be of similar irrelevance in determining identity and/or similarity as it is the combination of "RACE" and "TECH" that is distinctive; *visually and aurally*, the Logo is strikingly similar to the Trade Mark and in my view, identical to the Trade Mark. As Lai J remarked at [26] in *The Polo case*,

The decided cases suggest that there are three aspects to similarity: visual, aural or phonetic, and conceptual.

The Court of Appeal in [14] of *The Polo/Lauren* approved of the opinion by Lord Radcliffe in *de Cordova v Vick Chemical Coy* (1951) 68 RPC 103, at 105 – 106:

A trade mark is undoubtedly a visual device; but it is well-established law that the ascertainment of an essential feature is not to be by ocular test alone. Since words can form part of indeed the whole, of a mark, it is impossible to exclude consideration of the sound or significance of those words.

In *Nation Fittings* at [98], Phang J cited Parker J's judgment in *In the matter of an Application by the Pianotist Company Ltd for the Registration of a Trade Mark* (1906) 23 RPC 774 where at p 777, Parker J averred that:

You must take the two words. You must judge of them, both by their look and by their sound.

41 Thus, the aural similarities cannot be ignored or discounted in determining how similar or otherwise the Trade Mark and trade name/Logo are. In this regard, the spacing is of little, if any utility, in distinguishing the trade name/Logo from the Trade Mark as it has the same pronunciation as the latter. Besides, and this is perhaps a minor point, the spacing itself is not, at a cursory glance, readily apparent. Visually and aurally, it is identical to the Trade Mark especially when the font type is so similar.

Is there public confusion over the Trade Mark and the Logo resulting from the identity and/or similarity between the Trade Mark and Logo?

42 In an infringement claim, the confusion must result from the identity and/or similarity between the trade marks, as affirmed by the Court of Appeal in *The Polo/Lauren*. The piquant observations of Millet LJ in *The European Limited v The Economist Newspaper Limited* [1998] FSR 283 at 288, cited with approval at [111] in *Nation Fittings*, are particularly instructive -

Similarity is a matter of degree and except in the case where there is absolutely no similarity at all between sign and mark...the question is whether the similarity is such as to be likely to cause confusion in the mind of the public. A degree of similarity is tolerable; *the question is whether there is a confusing similarity*.

Further, the likelihood of confusion cannot be merely "hypothetical or speculative". Lai J's observations in *The Polo* case at [21] are especially on point -

Finally, turning to the plain words of s 27(2)(b) of the TMA, I find that a proper construction of the provision does not reject the court's discretion in assessing so-called extraneous factors when deciding whether there is a likelihood of confusion. The only thing that the statute calls for is that the likelihood of confusion arises from the similarity. *But where the user of a potentially infringing sign has taken pains to distinguish his products from the registered proprietor's good and services, the effect may be that the likelihood of confusion, if any, is merely hypothetical or speculative*. This is significant because unlike s 27(1) TMA, s 27(2)(b) does not presume that there is a likelihood of confusion. *If there is no likelihood of confusion, there can be no infringement: Pan-West (Pte) Ltd v Grand Bigwin Pte Ltd* [2003] 4 SLR 755 at [12]. Section 27(2)(b) TMA also does not forbid the court taking into account various factors in deciding the degree of similarity required in order to find that there exists a likelihood of confusion.

[own emphasis]

43 I do not think that the Appellant in this case here has "taken pains" or gone to great lengths to distinguish the Logo from the Trade Mark. For example, the spacing between the words 'RACE' and 'TECH' can hardly be said to be readily apparent. Consequently, I think it unlikely that the likelihood of confusion is hypothetical or speculative. In fact, without inquiring into whether there have been efforts to differentiate the Trade Mark from the Logo, it can be observed that the confusion is very real, with invoices bearing the name "Race Tech" instead of "Racotech"^[note: 1] and emails being addressed to the Respondent instead of the Appellant and the Logo being represented as "Racotech", a single word, instead of with the spacing. This is sufficient to demonstrate that confusion has been

generated and/or there is a great likelihood that confusion will be generated.

44 One question remains however: which sector of the public, if any, is the court concerned with in finding whether confusion has been created owing to the similarity and/or identity of the Trade mark and trade name/Logo? In *Nation Fittings* at [97], Phang J opined that:

The case law appears to suggest that the “average consumer” need *not, depending on the specific facts, necessarily mean* the general public. This appears to make good sense since each product is different. Admittedly, some situations might, as in the House of Lords decision of *Reckitt & Colman Products Limited v Borden Inc* [1990] RPC 341 (involving lemon juice in lemon-shaped containers), have potentially the entire general public as its target. On the other hand, other – more specialised – products might only be purchased (if at all) by a more specific cross-section of the public (which will itself conceivably vary in size, depending on how specialised the product is, together with allied factors such as the price charged).

[Emphasis in original]

45 The traders in the present case are in the business of vehicle-related services, namely as auto workshops and suppliers of auto parts. The business would thus appeal to the general public but especially car enthusiasts. The courts are generally more concerned with who the targeted consumers are, even if the “average consumer is ostensibly the general public” (at [102] of *Nation Fittings*). In some instances, the court goes beyond this, asserting that “what counts is whether there is confusion amongst *that part of public which cares*” (*Arsenal Football Club Plc v Reed* ([2001] RPC 46, as cited by Phang J at [101] of *Nation Fittings*). That “part of the public which cares” would presumably include both targeted and non-targeted customers. I am of the view that in the industry of vehicle-related services, the relevant targeted sector would naturally be car enthusiasts, as evinced from the advertisements and articles on the Appellant’s and Respondent’s businesses in various motoring magazines. Yet, one cannot ignore the rest of the public who might also be interested in the industry. The industry is not one which is so exclusive that only car enthusiasts and car enthusiasts only, should be the sole consumer group considered. Given the nature of this industry, I find it unrealistic to exclude the rest of the public in determining whether confusion would arise.

46 What then is the “average consumer” who is “reasonably well-informed and reasonably observant and circumspect” like for the purposes of determining likelihood of confusion? I find Choo JC’s remarks at [9] of *Polo/Lauren Co LP v United States Polo Association* [2002] 1 SLR 326 especially instructive:

The test must be applied not just to people with a particular knowledge of a specific mark or any one individual however discerning or otherwise a shopper he might be, but to ‘a substantial number of persons of ordinary care and intelligence’ per Lai Kew Chai J in the *Kellogg* case ... To that I feel obliged to state the obvious that the test is considered in the context of such persons having a reasonable time to observe the mark and pay a modicum of attention to what they do. By reasonable time I do not mean to suggest an inordinately long time — just time enough. I do not think that I need to expand on this concept of reasonable time to a shopper. We are not here concerned with the indecisive customer who ponders over an item for hours; nor with a customer in a ‘grab-as-much-and-as-fast-as-you-can’ promotion by a store, or, the impression of, in the words of Foster J in *Morning Star Co-op Society v Express Newspapers* [1979] FSR 113 at 117 (cited with approval by Lord Denning MR in *Newsweek Inc v British Broadcasting Corp* [1979] RPC 441 at 447), the ‘moron in a hurry’ because he represents confusion in unreasonable circumstances. Anyone may mistake one maker’s product for that of another’s if he examines the

product in a flash; but a common and ordinary consumer can reasonably be expected to spend a modicum of attention and reflect on what he is examining, at least for a moment that is longer than 'in a flash', or, as Lord Denning stated in the *Newsweek* case, 'the test is whether the ordinary, sensible members of the public would be confused. It is not sufficient that the only confusion would be to a very small, unobservant section of the society'.

The Court of Appeal in *The Polo/Lauren* at [31] and [32] of its judgment appears to have endorsed this test and I find no reason to depart from this reasoning.

47 With respect to the present case, there is likelihood of confusion being generated not only in the minds of the presumably targeted group of car enthusiasts, who will chance upon the advertisements and articles representing the Appellant as "Racetech" in motoring magazines, the general public will also be confused with the domain name, website and email addresses containing "racetech". The likelihood of confusion is not speculative and has in fact materialised amongst other things, in an email being sent to the Respondent when it should have been sent to the Appellant. Suffice to say, I am of the view that the trade name/Logo itself being able to pass off as a counterfeit of the Trade Mark is confusingly similar to the Trade Mark and has indeed created confusion. Laddie J, whose remarks in *Wagamama Ltd v City Centre Restaurants Plc* [1995] FSR 713 ("*Wagamama*") at 732 were also borrowed by the Court of Appeal in *The Polo/Lauren* (at [35]), had observed that the question of whether trade mark infringement had taken place is "a matter of feel than science". The Court in *The Polo/Lauren* went on to conclude that "the whole question of confusion is one of perception". Despite such subjectivity, there are robust, concrete principles which the law of trade mark infringement rests upon and in a patently obvious case such as this, *prima facie*, it will be difficult not to find that the three conditions of an infringement claim (see [23]) have been satisfied.

Did the Respondent consent to the Appellant's use of the trade name/Logo?

48 The foregoing sections have dealt with the key elements of infringement and established that the Appellant's trade name/Logo (a) is similar if not identical to the Respondent's Trade Mark; (b) is used in relation to the same services as that of the Respondent; and (c) has thereby resulted in the very real likelihood that confusion will be created and has indeed been created. However, the force of these elements is rendered nugatory if it is demonstrated that there was consent given by the trader claiming infringement to the Appellant here.

49 The evidence of the Appellant in this regard is woefully inadequate. As with the AR, I am of the view that its allegation of consent is unsupportable and simply a bald assertion. All that the Appellant has averred is that after its incorporation in 2006, Roland Teo spoke to Ricky Tan enquiring whether the latter had registered his trade name/logo and remarked that the trade name/logo of the Appellant was similar to the Plaintiff's name of "Racetech Auto". Ricky Tan then allegedly told Roland Teo there he was not aware of the alleged similarity and stated that the trade name/Logo was in respect to the company's name RACING TECHNOLOGY PTE LTD. Both parties then agreed to meet up for further discussions.

50 According to the Appellant, one Mr Daniel Koh Kien Hua, the person behind the Appellant's logo, visited the Respondent's place of business and found that there was no signboard, name or mark bearing "RACETECH" nor any business nor any vehicle related services being carried out by the Plaintiff. Instead, there was only one Chinese male present on the premises who turned out to be Roland Teo. Daniel then apparently discussed with Roland the trade name/Logo and apparently, Roland Teo represented to him that he had no objections to the use of the trade name/logo RACETECH so long it had not been copied from the Respondent's name and was an original creation of

the Appellant. This is the stated case of the Respondent.

51 The Respondent confirms that Roland Teo did call up Ricky Tan. In his evidence, Roland Teo explains that he had had business dealings with Fong Kim Exhaust and had in the course of these dealings thus become acquainted with Ricky Tan whom he has known for 10 years. Hence, he decided to approach Ricky to clarify matters instead of seeking a lawyer at first instance. Roland asserts that in the telephone conversation, he had only asked Ricky Tan why the Appellant was using "RACETECH."

52 In response, Ricky said he was unaware of what was going on and Roland then gave him a month to desist from using RACETECH as a trade mark or trade name. Afterwards, Roland consulted solicitors from CK Teo & Co who advised him that the Respondent should register its trade mark to strengthen its claim. In October 2006, the trade mark was registered. Thereafter, the Respondent's lawyer sent a letter of demand dated 5th December 2007 requesting the Appellant to desist from using Racetech as a trade name or mark for its business. Another letter was sent, dated 18th December 2007 and 26 March 2008 respectively.

53 However, the Appellant only replied through its lawyers that it hoped the Respondent would "hold [its] hands in the interim". In yet another letter dated 2 April 2008, the Respondent's lawyers informed the lawyers for the Appellant that "we are prepared to hold our hands only until close of business Wednesday, 9 April 2008." It appears that the Appellants neglected to give a substantive reply to the Respondent's concerns and pursuant to their previous correspondence, the Respondent commenced Suit 422 of 2008 for infringement and passing off of the Trade Mark as reflected in a letter dated 19 June 2008.

54 There are no documents evidencing the alleged telephone conversation, nor any written agreement to evince consent on the Respondent's part. The burden of proof rests with the Appellant to prove consent and it has failed to discharge this burden (see s 105 Evidence Act, Cap.97. 1997 Rev Ed)). I add that for the Appellant to assert that it had obtained consent from the Respondent actually potentially undermines its case that the Trade Mark and trade name/Logo are dissimilar, if one takes the view that obtaining consent amounts to an admission of similarity. A contrarian view however could be that obtaining such consent was merely an act of seeking permission from the Appellant and placating the Respondent, with the Appellant maintaining its position that the Trade Mark and trade name/Logo were dissimilar. However, this is quite untenable. Given that the Respondent has been in the industry for so many years, it is inconceivable that it would sanction the use of the trade name/Logo when it is confusingly similar to the Trade Mark. Far from consenting, the Respondent is not even condoning the use of the offending trade name/Logo otherwise it would not have brought this suit. Logical difficulties aside, more glaring is the fact that the evidential hurdle of proving that consent had been given has not been surmounted.

55 In the circumstances, I find that infringement of the Trade Mark has indeed occurred. It is perhaps apt at this juncture to cite once again, Laddie J in *Wagamama*, where he felicitously remarked (at p.752, also cited at [100] of *Nation Fittings*):

A judge brings to the assessment of marks his own, perhaps idiosyncratic, pronunciation and view or understanding of them. Although the issue of infringement is one eventually for the judge alone, in assessing the marks he must bear in mind the impact the marks make or are likely to make on *the minds of those persons who are likely to be customers for goods or services under the marks. Not all customers are the same.* It is therefore sometimes of assistance for the court to hear evidence from witnesses who will help him to assess the variety of ways in which *members of the target market* will pronounce the marks and what, to them, will be the visual or

phonetic impact of the marks.

[own emphasis]

Phang J observed at [113] of *Nation Fittings* that these approaches notwithstanding,

...it is also the case that the judge is aided...by the objective factors present within the case itself, including...the actual items concerned, their practical functions, the target or average consumer as well as the general context concerned. And all these factors must be balanced in as commonsensical and as fair a manner as possible.

56 Accordingly, I find that the Respondent's Trade Mark has been infringed by the Appellant.

The tort claim of Passing-Off

57 That there are three indispensable elements in establishing a claim of passing-off is well-recognised. In *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 2 SLR 550 ("*CDL Hotels*"), the Court of Appeal at [86] affirmed that in establishing liability for the tort of passing off, there had to be (i) goodwill attached to the goods or services supplied by the party complaining of the passing-off ("the complainant"); (ii) misrepresentation to the public by the party defending the claim that the goods or services offered by him were that of the party alleging the passing-off, and (iii) the complainant must suffer, or must be likely to suffer, harm/damage by reason of the misrepresentation. If any one element is missing, that would be fatal to the claim (*Nation Fittings* at [52]). In the premises, I am satisfied that the Respondent fulfils all the three requirements to succeed in her claim.

Goodwill

58 One should be reminded that goodwill is not to be confused with reputation. Reputation, unlike goodwill, can exist in isolation but the latter is that intangible asset a trader has with his customers (*CDL Hotels*). Without the trust and confidence of customers in the trader and his goods or services, there can be little if any, goodwill. As such, being reputable does not necessarily mean that one has goodwill though this might invariably be the case. In *CDL Hotels*, it was also observed that whilst goodwill was often generated from trading, "pre-business activities" such as advertising could amount to generation of goodwill depending on the facts and the "nature and intensity" of these activities.

59 In ascertaining whether there was goodwill attached to the Respondent's services and goods, I examined the brief accounts adduced by the Respondent for the years 2001-2007. These accounts reflect advertising expenditure as amounting to only several hundreds of dollars. Only in 2006 was the advertising expenditure uncharacteristically high at \$1,500. *Prima facie*, it might be a stretch of imagination to infer that it is from such meagre amounts of advertising expenditure *alone* that goodwill has been generated.

60 There might be an explanation for this though. The fact that the Respondent had spent such nominal sums on advertising suggests that it perhaps saw little need to invest in advertising because it *already* enjoys sufficient goodwill. Having been in the industry for more than 20 years and dealing personally with his customers, it is plausible that Roland Teo, the former registered proprietor of RAA and currently running the Respondent's business, could have accumulated goodwill over the span of two decades. There would thus be little need to advertise. This is however speculative.

61 Rather, it is the advertisements, *in conjunction with* articles in various motor magazines-the June, August, Sept, Nov 2002 issues of 'Torque'; the Nov/Dec 89, Sept 96 issues of 'Motoring'; a

1995 article in 'Drive' and other magazines, that persuade me to believe that on the balance of probabilities, goodwill does indeed attach to the Respondent's goods and services. That the Respondent has been in the business for more than 20 years and is still making a healthy profit of tens of thousands of dollars (based on the 2001-2007 accounts), despite limited advertising leads me to the inexorable conclusion that what drives customers to patronise the Respondent is goodwill, be it generated from advertising or other sources.

62 I hasten to add at this juncture that advertising expenditure *per se*, is inconclusive. As Chao Hick Tin J remarked in ***Pontiac Marina Pte Ltd v CDL Hotels International Ltd [1997] 3 SLR 726*** at [50]:

I do not think the law has laid down any restrictions as to how goodwill may be acquired. Advertising in the press and other media is of course an obvious means and perhaps the most expeditious means. But if there are reports in the media extolling the virtues or excellence of a service I fail to understand why that should be disregarded. I would have thought that *the important thing is what is the message that is being conveyed, not whether the owners pay for the media's space or time*. It is the message that counts.

[own emphasis]

Hence, it is not really the figures in advertising expenditure which are crucial, but how effectively the intended messages have been conveyed through the advertisements and other media to generate the goodwill. I do not know what "advertisements" in the Respondent's statement of accounts encompass. It may have included special write-ups in magazines which referred favourably to the Respondent and if so, then that can create goodwill more so perhaps, than the typical advertisement. Whichever is the case, I find that goodwill is present.

Misrepresentation

63 As long as members of the public (not just the targeted consumer group) are "led to believe that there is some business connection" between the businesses of the party complaining of the passing-off and that of the party defending the claim owing to the latter's use of the offending trade mark or sign or trade name, it matters not that the misrepresentation was innocent (*Louis Vuitton, Amanresorts*).

64 At [54] of *Amanresorts*, Tay J quoted *The Law of Passing-Off: Unfair Competition by Misrepresentation* by Christopher Wadlow (Sweet & Maxwell, 3rd Ed, 2004, at paras 1-9, 5-5, and 5-8):

The misrepresentation in passing-off is almost always conveyed by the defendant adopting for his own goods or business some material such as a *name, mark, get-up or other sign which is deceptively similar to material distinctive of the claimant*. The misrepresentation is deemed to be made as soon as such goods are released into circulation, even if the immediate recipients are traders who are not themselves deceived.

The misrepresentation need not relate to goods, but may be to the effect that the businesses of the claimant and the defendant are the same, or have merged, or that one is a branch, agency or subsidiary of the other ; or, more generally, that the defendant has any connection with the claimant that is likely to cause damage.

Most importantly, the misrepresentation in passing-off *need not be* made fraudulently or with any

intention to deceive: “calculated” in Lord Diplock’s speech in *Advocaat [Erven Warnink BV v J Townend & Sons (Hull) Ltd]* [1979] AC 731; [1979] 2 All ER 927; [1980] RPC 31, HL] means *likely* rather than *intended*. The only continuing importance of fraud is for its evidential value.

[own emphasis]

65 I find that the trade name/Logo is indeed deceptively and confusingly similar to the Trade Mark. As mentioned in the section dealing with infringement, it could pass off as a counterfeit of the Trade Mark, or if not, at least, it appears to have some commercial connection with the Respondent’s business.

66 Although the Appellant stresses that there is a space between “RACE” and “TECH” in its trade name/Logo, I have noted earlier that the space is not very obvious at a cursory glance and hence, the average consumer might actually read the trade name/Logo as a single word, as is with the Trade Mark. Even upon closer inspection, the space is no more obvious. Notably, on its website, the Appellant actually represents that it is also called “RaceTech” for short, totally ignoring the spacing between the words, leaving it indistinguishable from the Appellant’s RACETECH Trade Mark. Such presentation is mirrored in a poster (p 171) where the heading reads

RACE
TECH

A prestige subsidiary of Fong Kim Exhaust
Pte Ltd

Wait no more!!! Come on down to RACETECH today!

Once again, there is no attempt to space the words out, and uppercase lettering is used for the entire word. To me, this is a brazen attempt of the Appellant to pass itself off as the Respondent. No doubt, Fong Kim Exhaust Pte Ltd is mentioned in the heading, however, the words are relatively smaller and less eye-catching than RACETECH in capital letters. It is blatantly clear that the impression to be created upon the minds of potential consumers and other members of the public is the RACE TECH trade name, not Fong Kim.

67 If the Appellant had indeed been genuine about spelling its trade name with a gap between the constituent words “RACE” and “TECH”, I would have thought that its email and website addresses would have reflected this. Instead, not only does the website state that the Appellant is also known as RaceTech, the domain name is www.racetechnology.com.sg and its email address is racetechnology@singnet.com.sg. There is no spacing between the words which could have been achieved by a simple underscore “_”. On its rally cars and T-shirts too, the spacing, whilst present is not obvious.

68 I am compelled to find that misrepresentation exists. Even in the unlikely situation that no one has been deceived as to the trade origin of the goods or services of the Appellant as being the Respondent’s, this is no defence. Misrepresentation, innocent or otherwise, is a finding of fact by the court that “ordinary sensible members of the public would be confused. This...is a question to be

decided in the light of all the surrounding circumstances..." (per Lai J at [23] of *The Polo case*).

Actual damage or likelihood of damage

69 Having established that the Respondent enjoys goodwill with respect to its goods and services and that there has been misrepresentation of its Trade Mark, I now proceed to deal with the final element in a passing-off claim -- is there actual or probable damage to the goodwill relating to its business? (*Amanresorts, Nation Fittings*). The Respondent has not adduced evidence nor particulars of actual damage. Nonetheless, it satisfies the lower threshold of probable damage.

70 The Respondent has been in the industry for more than two decades. The Appellant however, only entered the motor car racing industry in 2004 ([9], *supra*). While there is no basis for me to believe that the goodwill of the Respondent might be damaged due to the (hypothetical) inferiority of the Appellant's services and the latter's services passing off as the Respondent's, it is not far-fetched to surmise that 20 years of experience compared to a mere 5 years of experience in the industry would see some difference in expertise. Consequently, a customer entering the Appellant's premises thinking that it is the Respondent's might possibly feel somewhat shortchanged, if he does not receive the standard of service he was expecting from an old-hand in the industry.

71 Then there might be other customers who believe that they are engaging the services of a veteran in the industry (*i.e.* the Respondent), and feeling satisfied with the services, return to the Appellant's workshop for future visits, never realising that they were mistaken as to the identity of the trader. From the customer's point of view, it might make no practical difference whose services he engages as long as he is satisfied with its quality. However, the focus here is on the trader's loss due to such passing-off and not the perception of customers.

72 Additionally, I find that the advertisements and promotional activities of the Appellant are pretty extensive when viewed over a period of time, its company and trade name/Logo being featured in magazines such as "Carma". With each advertisement or promotion, the erroneous assumption that the Appellant's trade name/Logo has some business connection with the Respondent's business, is being projected and/or reinforced, and increases the likelihood that a customer that reposes trust in the Respondent's brand name "**RACETECH**" may be deceived into thinking that the Appellant's business and the Respondent's are either one and the same, or share some business link with each other. Subsequently, potential customers and other members of the public may patronise the Appellant because of this mistaken belief. The Appellant's unjust gain is thus at the expense of the Respondent.

73 The elements of passing-off having been satisfied, I find it apt to conclude my finding in the succinct remarks of Lord Oliver in *Reckitt & Colman Products Ltd v Borden Inc* [1990] 1 WLR 491 at 406, cited also by the court at [86] of *CDL Hotels*) that:

The law of passing off can be summarised in one short general proposition - no man may pass off his goods as those of another.

Conclusion

74 For the foregoing reasons, I found that there was infringement of the Respondent's Trade Mark and passing off the Respondent's Trade Mark and trade name. I therefore dismissed the appeal and ordered costs to be fixed at \$4,000 inclusive of disbursements, to be paid to the Respondent.

[\[note: 1\]](#) See p 210 Plaintiff's bundle of affidavits

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