

Caterpillar Inc v Ong Eng Peng (formerly trading as Catplus International)
[2006] SGHC 58

Case Number : Suit 863/2004

Decision Date : 04 April 2006

Tribunal/Court : High Court

Coram : Tay Yong Kwang J

Counsel Name(s) : Andy Leck, Daniel Chia and Geoffrey Liem (Wong & Leow LLC) for the plaintiff;
Boey Swee Siang (Rajah & Tann) for the defendant

Parties : Caterpillar Inc — Ong Eng Peng (formerly trading as Catplus International)

Trade Marks and Trade Names – Infringement – Offending marks similar to plaintiff's registered trade marks in relation to goods and services identical or similar to those for which plaintiff's trade marks registered – Whether defendant infringing plaintiff's registered trade marks

Trade Marks and Trade Names – Passing off – Offending marks similar to plaintiff's registered trade marks and get-up under which plaintiff's products and services offered to public – Whether goodwill or reputation attaching to plaintiff's products and services in mind of public by association with plaintiff's trade marks and get-up – Whether defendant liable for passing off

4 April 2006

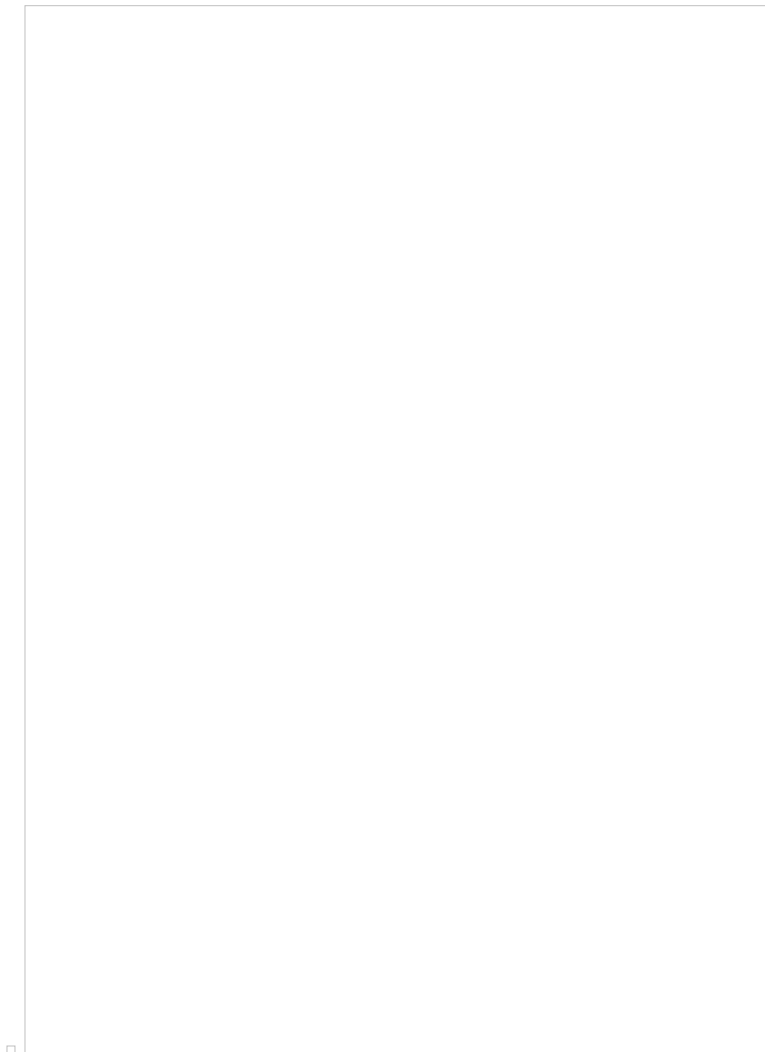
Tay Yong Kwang J:

1 The plaintiff alleged that the defendant had committed trade mark infringement and passing off and sought relief by way of injunction, an order for obliteration of the defendant's infringing mark and/or an order for delivery up or destruction of the defendant's offending goods, and (at the plaintiff's option) an inquiry as to damages, statutory damages or an account of profits.

The case for the plaintiff

2 The plaintiff, a company incorporated in the US, testified through its trade mark attorney, James Michael Hurst, that it is in the business of designing, manufacturing, marketing, distributing and selling an extensive range of industrial, agricultural, construction, mining and road-building equipment together with the parts and accessories for such equipment. It also provides services such as the rental, maintenance, repair and distribution of its said products by itself and/or through its subsidiaries, licensees and authorised dealers and distributors. It has been operating since 1925, when it was formed from a merger of two companies. It is a global company and is listed on the New York Stock Exchange. In 2004, its worldwide sales and revenue amounted to some US\$30.251bn. According to the 2005 Global Brands Annual Report by *Business Week* and Interbrand Corporation, it had a brand value of more than US\$4bn. It has a website located at <<http://www.cat.com>>.

3 The plaintiff is the registered proprietor of, amongst others, the following trade marks in classes 7 and 12 in the Singapore trade marks register:



4 As the world leader in construction and mining equipment, the plaintiff is well known for its products and services. Apart from its registered trade marks, other distinctive features and get-up on its products and services are instantly recognisable as belonging to the plaintiff. To identify its products, the plaintiff uses a distinctive get-up, the prominent features of which included the use of, amongst others, its registered trade marks T8900215J and/or T8900211H, which have the word "CAT" in white and a triangle device in yellow directly beneath the "A", superimposed over a black patch with a red line running across the black patch ("the get-up"). The black patch is located on the yellow body of the plaintiff's products.

5 The plaintiff has been trading in Singapore since 1939 and, as at the last quarter of 2005, maintains a presence in Singapore through various wholly-owned subsidiaries, practically all of which had the word "Caterpillar" in their names. Through Caterpillar Sarl (Singapore branch office), the plaintiff sells its products to Tractors Singapore Ltd, its sole authorised dealer in Singapore, Christmas Island and the Maldives. Tractors Singapore Ltd is also responsible for the provision of the plaintiff's aforesaid services. Since at least 1988, the plaintiff, by itself and/or through its subsidiaries, licensees and authorised dealer, has been marketing and selling its products and services in Singapore by reference to the get-up and the use of "CAT" or "CAT" with the triangle device directly under the "A" ("CAT marks"). Net sales of the plaintiff's products in Singapore and in Asia between 2000 and 2005, bearing or using the get-up and the plaintiff's CAT marks, run into hundreds of millions of US dollars annually.

6 The plaintiff and its associates also advertised and promoted its products and services extensively by reference to the plaintiff's registered trade marks, its get-up and its CAT marks. As a result of the extensive use and marketing activities, the plaintiff has built up and owns goodwill in its get-up and its CAT marks, which have become so well known in Singapore and elsewhere such that they have become synonymous with and distinctive of the plaintiff.

7 In addition, the plaintiff's registered trade marks, products and services are well known in Singapore and throughout the world and are the subject of trade mark, patent and design applications and registrations worldwide, using the words "CAT" and "CATERPILLAR" with or without the triangle device directly beneath the "A".

8 The defendant was formerly trading as Catplus International with its registered place of business at 23 Dunearn Close (the defendant's residential address) and a place of business at 122 Middle Road, #01-13, Midlink Plaza ("the Midlink Plaza address"). The registered business activities were said to be "manufacture and repair of construction machinery and parts" and "machinery and equipment". He terminated this sole proprietorship on 22 September 2004.

9 The defendant has used, in the course of business between 9 February 2004 and 22 September 2004, one or more of the following signs or marks, namely "CATPLUS" by itself or with the letters in yellow or white on a black rectangular background with a red line running across the black background, together with the inscription "CATPLUS INC, USA" in small-sized print at the bottom right-hand corner of the rectangle ("the offending marks"). He also dealt in construction equipment and machinery affixed with the offending marks ("offending products").

10 Sometime in December 2003, the plaintiff received information that the defendant and another entity known as Worldwide Techno-Builders Group (1973) Pte Ltd, now known as Worldwide Techno-Equipment Group (1973) Pte Ltd ("Worldwide"), were dealing in offending products. In February 2004, the plaintiff instructed private investigators to look into the business activities of the defendant and to determine if the defendant and/or Worldwide had any equipment yard housing offending products for sale in Singapore and to make a purchase of such products.

11 In January 2005, the plaintiff's former solicitors made printouts of some salient pages from the defendant's website at <www.catpluscorp.com> ("the website in issue"), including the sections on its products, corporate information and contact information. In July 2005, the plaintiff's present solicitors conducted an instant information search through BizNet on Worldwide. The search showed Worldwide having its registered office at Catplus International's business address at the Midlink Plaza address. The defendant and his elder brother, Derrick Ong Puay Khoo, were two of the three directors on record. The shareholders were listed as Powerplus Group Pte Ltd (with its address being the same Midlink Plaza address) holding 138,000 shares, See Siok Ngoh (the defendant's mother, with the same residential address as the defendant) holding 450,001 shares and the defendant holding 49,999 shares.

12 The investigation report and the printouts from the website in issue showed that the defendant's assertion that Catplus International was dormant since registration and never did any business was a sham. This was because Catplus International was identified as the party which the public should contact in case of interest in the products and services listed on the website. The website was about a business dealing in construction equipment and machinery, the same activities as those of the defendant. Catplus International was also identified as the Asian main office of the Catplus group of companies, located at the Midlink Plaza address. The defendant was present at the said address when the private investigators went there and it was he who dealt with the private investigators. After this action was commenced in October 2004, the website in issue was altered

from:

CONTACT INFORMATION

CATPLUS INTERNATIONAL

Asia Main Office: [the Midlink Plaza address]

...

CATPLUS INC., USA

...

to:

CONTACT INFORMATION

CATPLUS INC.

INTERNATIONAL

Asia Main Office: [the Midlink Plaza address]

...

U.S.A. HQ

...

13 The defendant has been a director of Worldwide since August 2002 and holds 7.8% of its shares. Worldwide shares the same Midlink Plaza address. Even if he had met the private investigator in his capacity as a director or employee of Worldwide, as he had claimed, it was impossible that he did not know the nature of Worldwide's business. The brochures that he handed to the private investigator in February 2004 bore the name "Catplus" and made reference to the website in issue which in turn referred to the defendant's sole proprietorship as the contact point. The plaintiff has also commenced proceedings against Worldwide and Derrick Ong Puay Khoon for trade mark infringement and passing off (in Suit No 667 of 2005).

14 At no time did the plaintiff give its consent to the defendant, to Worldwide or to any of the entities listed in the defendant's website or the brochures to use the plaintiff's CAT marks in any way whatsoever. Through the said website and the brochures, the defendant used, in the course of trade, the offending marks. The offending marks were signs that were similar to the plaintiff's CAT marks in relation to goods and services identical with or similar to those for which the plaintiff's CAT marks were registered. The offending marks were visually similar to the plaintiff's CAT marks. In addition, they were phonetically similar to the plaintiff's CAT marks because of the identical prefix "CAT". This similarity was very significant as there was less significance attached to the suffixes. It was industry practice for the plaintiff to be known as "CAT", with even its website being designated as <<http://www.cat.com>>. It was also industry practice for the plaintiff's products to be known as "CAT" products as a shorthand version of "CATERPILLAR".

15 "CATPLUS" was also conceptually similar to "CAT" since the suffix "PLUS" was merely

laudatory and entirely non-distinctive in nature. It merely denoted something positive or in addition to and served no purpose in distinguishing the offending marks from the plaintiff's registered trade marks bearing the word "CAT". It also did not inform the public that the offending products did not originate from the plaintiff.

16 Due to the nature of the defendant's business activities, he should know about the plaintiff's CAT marks, its highly distinctive get-up and registered trade marks. The offending products were identical with or similar to those for which the plaintiff's CAT marks were registered. The yellow and black get-up, the red line running across the black background, the general scheme and arrangement adopted by the defendant for the "CATPLUS" mark is similar to the plaintiff's get-up. The defendant's choice and use of the "CATPLUS" mark therefore confused members of the public into believing that the defendant's products and services originated from or were somehow related to the plaintiff or that "CATPLUS" was related or connected with the plaintiff.

17 Apart from these similarities, the offending products deliberately adopted a get-up and nomenclature and model numbers used exclusively by the plaintiff. For instance, while the plaintiff's wheel loader machine bore the model number 918F, the defendant's equivalent bore the model number 918P. The defendant's acts were therefore calculated to mislead the public into believing that the defendant's products were sold by or originated from the plaintiff or were even improved versions of the plaintiff's products.

18 The defendant's colour scheme and design also intentionally mimicked the plaintiff's get-up and he had taken no steps to distinguish his offending products from the plaintiff's products. The omission to do so was intentional and specifically designed to create confusion among potential purchasers of the offending products.

19 The website in issue also adopted a get-up similar to the plaintiff's, which predated the defendant's as the plaintiff's website was created in March 1993 while the defendant's was created in July 2002. Besides the fact that the names of both parties' websites were similar, the "CATPLUS" mark appeared in the same location on the website in issue as the plaintiff's "CATERPILLAR" triangle device on the plaintiff's website. These two marks were also cast in light colour over a dark background at the top left corner of the respective homepages. They were also in similar font. The scroll-down menus in both websites were also set out horizontally at the top of the respective homepages.

20 On 21 July 2005, the plaintiff's solicitors conducted a WHOIS search on the Internet in respect of the defendant's website. A WHOIS search is an online search on the website, <www.whois.sc>, to determine "as is" information about domain name registration records. It was revealed that the registrant of the website in issue was "Catplus Corporation" of "21 Chandos Way, Wellgarth Road, London, En NW117HF, GB".

21 There were references on the website in issue and in the brochures given to the private investigator to various entities such as "Catplus Inc, USA" and "Catplus Corporation, Ltd, Tokyo, Japan". The plaintiff conducted investigations on the US entity in the Delaware Corporate Records database and discovered such a corporation registered in the state of Delaware. However, the use of registered agents of the corporation and the apparent lack of information on the said entity suggested that it was not an active corporation. Investigations into the Japanese entity, through searches conducted in two well-known databases (Nikkei Telecom and Teikoku Databank), revealed that there was no such corporation in Tokyo. A search at the five central Tokyo Legal Affairs Bureaus also confirmed that there was no entity going by the name "Catplus" in Tokyo.

22 In July 2005, the plaintiff caused a search to be made on the United Kingdom Companies House website for "Catplus" and found no company with that name in the UK. It was also revealed by private investigators there that the address, 21 Chandos Way, Wellgarth Road, London, En NW117HF, GB, belonged to a second and third floor residential flat and that neither of the residents on those premises had ever been an officer of any UK limited company. The private investigators also found no company in the UK called "Catplus Corporation" or any other similar name. The online business directories did not contain any listing for this name and there was also no telephone listing for such an entity anywhere in the UK. It was admitted by the defendant in his testimony in cross-examination that 21 Chandos Way belonged to his late father, Ong Choon Seng.

23 The plaintiff also pointed out that it had used (since 1975) and registered (since 1984) the mark "CATPLUS" and variations thereof in the US and France although all had since lapsed.

24 The plaintiff alleged that it had suffered or was likely to suffer irreparable loss and damage as the construction equipment and machinery and services offered by the defendant on his website and in the brochures were similar or identical to the plaintiff's. They were therefore in direct competition with the plaintiff's products and services. The defendant, on his own or in conjunction with Worldwide or others, had sold one Catplus 14G-III motor grader and one Catplus 966-III wheel loader to parties in Sudan, offered for sale to the plaintiff's authorised dealer there Catplus 14G-III motor graders, Catplus 160G-III motor graders, Catplus 966S-III wheel loaders and Catplus D8S-II bulldozers and sold five Catplus 160G-III motor graders in Pakistan. These products were of inferior quality and the continued use of the offending marks on the offending products was injurious to the plaintiff's goodwill and proprietary rights in its registered trade marks. The offending products would also expose the plaintiff to liability or risk of litigation from unsuspecting buyers and users. The plaintiff's trade marks would also lose their reputation and value since they would no longer be exclusively and solely distinctive to the plaintiff.

25 The plaintiff believed that there would be a likelihood of confusion among members of the public or of the trade if the "CATPLUS" mark was allowed to remain in use since it was likely that such people would chance upon the plaintiff's trade marks and the "CATPLUS" mark and assume that the machines with the same colour and scheme of design were the plaintiff's. The plaintiff alleged that the defendant had deliberately taken advantage of its goodwill in order to mislead customers through the infringing acts and passing off.

26 Philip Tan See Wei, the operations manager in Commercial Investigations LLP who was engaged by the plaintiff, testified that his two private investigators visited the Midlink Plaza address at about noontime on 9 February 2004. There was no signage at or near the entrance to the premises. The glass door was locked and no one appeared to be inside although the lights were switched on. Upon returning to the premises at 5.15pm that day, there were two men inside – a male Chinese and a male Malay. Pretending to be commission agents sourcing for equipment on behalf of a client, the private investigators entered the premises. The male Chinese introduced himself as James. It was not disputed by the defendant that he was James.

27 The defendant claimed to have run out of calling cards. He gave the private investigators a calling card bearing the name Derrick Ong, Chairman of Worldwide, after crossing out the said name and writing his own on the card. The card had the "CATPLUS" mark and described Worldwide and/or Derrick Ong as the exclusive distributor of Catplus Inc, USA. The telephone and fax numbers were the same numbers listed in the defendant's website. Investigations revealed that the subscriber of the telephone at the Midlink Plaza address was United Traders (1953) Pte Ltd, a company linked to the defendant's family.

28 The defendant told the private investigators that his firm dealt in Komatsu, Kobelco and Caterpillar brands of machinery and equipment. However, for the Caterpillar brand, he claimed that Worldwide only dealt with used equipment. He also said that its house brands were "Catplus" and "Powerplus". The defendant gave the private investigators a folder marked "CATPLUS" which contained some brochures for Catplus products. The brochures were in respect of the Catplus, Powerplus and Powerpac brands of machinery. The defendant explained that the latter two brands belonged to the Powerplus Group, Inc, USA. He claimed that Catplus Inc, USA was a subsidiary of Powerplus Group, Inc and that both Catplus International and Worldwide, which were owned by the same person, were agents for Catplus and Powerplus equipment in Singapore. Asked whether Caterpillar and Catplus were related, the defendant said the two were different companies and their products used different power plants or engines.

29 The defendant said that the Catplus brand was relatively new in Singapore and that there was therefore no used machine. He claimed that there were no orders received for Catplus equipment but that he had three second-hand Komatsu excavators parked in a rented yard in Tuas, the address of which he declined to reveal.

30 Syed Ghazanfar Habib ("Syed") was the country manager and director of Allied Engineering & Services Limited, the plaintiff's authorised sole dealer in Pakistan. He had dealt with the plaintiff's products for almost seven years.

31 In August 2005, he visited a company in Lahore, Pakistan and saw a Catplus motor grader painted in yellow and black with "CATPLUS" in white letters, where the trade mark "CAT" or "CATERPILLAR" would have been on one of the plaintiff's machines, superimposed on a black patch with a red line running across. The machine was designated as a Catplus 160G-III motor grader. The plaintiff also manufactured motor graders designated as Caterpillar 160H and Caterpillar 160HNA. While examining the Catplus machine, he noticed that the plate on the engine looked like those found on the plaintiff's machines. The layout of the plate was the same as the plaintiff's and there was a "CAT" mark, with a yellow triangle device, on its top left corner. The plate also claimed to be a "Caterpillar diesel engine made under license from Caterpillar Inc, USA". The engine model CAT 3306B(L) was similar to the nomenclature used for the plaintiff's engines. The engine looked like the plaintiff's but its finishing was comparatively poorer. The workmanship of the motor grader was also inferior to that of the plaintiff's machines. For instance, the paintwork was substandard and peeling and a number of weld cracks were visible.

32 It was unclear to Syed, a marine engineer, whether the Catplus machine that he saw was manufactured by the plaintiff. He believed that the plaintiff was supplying its engines to Catplus and that there was some connection between the plaintiff and Catplus. Concerned that his company's business would be adversely affected, in July 2005, he emailed the Territory Manager of Caterpillar Sarl to enquire whether the plaintiff had an agreement to supply its engines to Catplus. Upon receiving word that the plaintiff was not supplying its engines to Catplus, Syed requested a letter from the plaintiff to confirm this fact so that he could clear up any confusion and prove to customers and potential customers that Caterpillar and Catplus were not linked in any way. Such a letter was sent by the plaintiff to him.

33 Abdelhadi Mohamed ("Abdelhadi") was the construction and mining sales manager of Sudanese Tractor Company Limited, the plaintiff's authorised sole dealer in Sudan. In May 2005, he was driving near the Khartoum International Airport when he saw what looked like one of the plaintiff's machines parked on a low bed truck. He stopped to take a closer look and found out that it was a motor grader with the same "CATPLUS" mark as the one in Pakistan described above. This machine was designated a Catplus 14G-III motor grader, a designation similar to the nomenclature used by the

plaintiff for its machines. A plate on the machine indicated that the machine was produced in October 2004 and that it was "a premium product by Catplus Corporation, Singapore under license of Catplus, Inc, USA a subsidiary of Powerplus Group, USA". A Powerplus logo was also on the plate. An engine plate, similar in layout as the plates on the plaintiff's machines, bore the "CAT" mark at the top left corner, stated that the engine model was CAT 3306B(L) and that the engine was a "Caterpillar diesel engine made under license from Caterpillar Inc, USA". The plaintiff used similar model numbers for its engines. The quality of the workmanship on the machine that he saw was inferior to that of the plaintiff's machines.

34 Later, Abdelhadi also saw a Catplus 966S-III wheel loader which used the same yellow and black colour scheme as the Catplus motor grader.

35 Having learnt about the defendant's website, Abdelhadi visited it subsequently and filled in a feedback form online, inquiring about Catplus equipment and their specifications. He received a reply from one "Siew" informing him about the availability of certain machines using model numbers similar to those used by the plaintiff. A few days later, Siew e-mailed him with information on a dealer in Sudan who had been representing Worldwide in Sudan for the past two years.

36 It was unclear to Abdelhadi, an engineer, whether the two machines that he saw were manufactured by the plaintiff.

The case for the defendant

37 The defendant, a media and business consultant, was the only witness for the defence. He denied that he had infringed the plaintiff's trade marks. He registered Catplus International on 16 August 2002 but had never traded under this name. The sole proprietorship remained dormant and there was absolutely no activity, whether in relation to goods or services bearing the "CATPLUS" mark or in respect of any other business whatsoever. On 22 September 2004, he deregistered Catplus International, more than a month before the present action was commenced against him, as he was not interested in the business.

38 The defendant claimed that he did not own or use the website in issue and was not responsible for its contents. He also claimed that the said website was Worldwide's. He asserted that the Catplus International mentioned in the "Contact Information" page of that website could not refer to his business simply because he had never traded under that name and had already terminated that business. He surmised that it could perhaps be a reference to the international or representative office of Catplus Corporation, Ltd (of Japan) or Catplus Inc (of USA), both of which were mentioned in the website. Accordingly, the plaintiff's allegations of infringement of its trade marks and of passing off in respect of the website's contents were misconceived. He believed that the plaintiff had sued the wrong party.

39 The defendant said that he never had any business at the Midlink Plaza address. From time to time, he would turn up at that location "to borrow its premises" to do some work for his own businesses, which related to music and had nothing whatsoever to do with manufacturing, repairing and/or dealing in construction equipment. The premises there did not belong to him and neither was he a tenant therein. The premises were occupied by Worldwide. As Worldwide was a "family company", he would help out there from time to time, doing things like answering telephone calls and attending to trade inquiries. He was a nominal director (on his mother's behalf) but was not an employee of Worldwide. He had no management role there. His brother, Derrick Ong, who was not familiar with the Internet, had asked him to reserve the name Catplus International for Worldwide.

40 On the day that the private investigators visited the Midlink Plaza address, the defendant happened to be there doing his own work. The Malay man was a driver. As there was an inquiry relating to Worldwide, he explained to the private investigators the company's business, the range of products available and answered questions pertaining to the Catplus products. He also handed over some brochures. He did not try to sell the any products to the private investigators or inform them that he was trading under Catplus International. As indicated in the investigation report tendered by the plaintiff, he also expressly informed the private investigators that Caterpillar and Catplus were different companies.

41 The defendant pointed out that the "CATPLUS" mark was visually and phonetically different from the plaintiff's trade marks anyway. There was therefore no likelihood of confusion among members of the public simply because of the three common letters "CAT". As for the allegations on passing off, as he had never traded as Catplus International, he could not have made any representations which would have led to confusion between the Catplus products and the plaintiff's. The defendant therefore asked that the action against him be dismissed with costs.

42 In cross-examination, it was shown that the defendant was listed as a director, owner, shareholder or manager at some time or other in numerous companies and business entities, including one known as Catplus International Pte Limited, whose registered office was his residential address, and several using the name "Komatsu" (the name of a leading manufacturer of construction equipment and machinery not related to the defendant in any way). He was apparently made a director of Catplus International Pte Limited on 22 November 2004, after the commencement of this action, by someone in Worldwide without his knowledge or consent as certain people in Worldwide possessed his password for the BizFile system run by the Accounting and Corporate Regulatory Authority. The defendant claimed that he was not even aware that his name had been used in a number of these companies and business entities, and that he had never traded in construction equipment, a business that his late father was involved in.

43 The defendant explained that he conducted his media and business consulting work under the name Starssurfing International Pte Ltd. He operated from his home or from an office unit owned by his late father in Midland House, next to Midlink Plaza. He made use of the Midlink Plaza address as one of his artistes was the son of his brother, Derrick. There was also a proper conference room there. He would go there to meet with artistes and others in the music industry. Some of the staff in Worldwide had left the office on the day that he met the private investigators.

44 The defendant held a Bachelor of Science (Honours) degree (in mathematics and management) conferred by the University of London and a post-graduate diploma in financial management from New York University. He was familiar with the writing of programs, source codes, developing search engines and hosting of websites. Catplus International's name was put on the website in issue by Worldwide and he has informed Worldwide to delete the reference to his business entity.

The decision of the court

45 The plaintiff's case against the defendant was that the website in issue and the brochures (given by him to the private investigators) featured the offending marks as well as offending products with a get-up which was confusingly similar to the plaintiff's get-up. The plaintiff also accused the defendant of bad faith in having features on his website similar to those used on the plaintiff's and in adopting nomenclature and model numbers used exclusively by the plaintiff.

46 Where trade mark infringement is concerned, s 27(2) of the Trade Marks Act (Cap 332,

2005 Rev Ed) provides:

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.

47 The defendant has not raised any statutory defence to the plaintiff's claim for infringement of trade mark. His defence was that he could not be responsible for the acts alleged by the plaintiff as he never did any business under Catplus International and had nothing to do with the website in issue. He claimed that he was only assisting his "family company" (Worldwide) when he dealt with the private investigators in February 2004. Accordingly, he was the wrong party sued by the plaintiff.

48 The plaintiff criticised the defendant for his reticence in naming the correct party to sue until a few days before the trial commenced, when his solicitors filed his opening statement. In that opening statement, Worldwide was named for the first time as the proper defendant. The plaintiff submitted that although there was evidence that Worldwide was responsible for the marketing, sale and distribution of the offending products, that would not detract from its claim against the defendant because its claim was not founded on such acts of infringement.

49 I did not believe the defendant's assertion that he had done no business under the name of Catplus International. That name was the only Catplus entity that had a real existence at the time of the commencement of this action. Catplus Inc in Delaware, USA, was an inactive shelf company and the other Catplus companies named in the website in issue were non-existent. Catplus International was described in the website in issue as the "Asia Main Office" of the Catplus group. Its address and contact numbers were set out in the "Contact Information" page of the website in issue. It was the first point of contact for anyone interested in Catplus machinery after having visited the website in issue. It was, in reality, conducting business even if it was not a profit centre in the chain of supply and sale of Catplus machinery.

50 The Midlink Plaza address had no signage outside its entrance. It was nevertheless Catplus International's business address. The brochures on Catplus products were provided by the defendant to the private investigators. They referred to the website in issue which, in turn, referred to his business entity and its business address. The defendant scratched out Derrick Ong's name on the calling card and inserted his own. If he was at the premises quite fortuitously when the private investigators went there, he would have informed them to call his brother for further information or discussions. At most, he would have written his name on the calling card without the need to delete his brother's name. The fact that he did so showed that he was not just visiting the Midlink Plaza address to help out in a family company. He was in truth conducting business from that address, even if he had another business address in the next building. After all, he was also a director and shareholder in Worldwide operating at the same address.

51 It was too much of a coincidence that the defendant deregistered Catplus International on 22 September 2004 and then mysteriously appeared as a named director in Catplus International Pte Ltd two months later on 22 November 2004 (until 1 March 2005), after the commencement of this

action on 26 October 2004. Why did he register the sole proprietorship two years ago anyway? If, as he claimed, he did so at the behest of his brother, Derrick Ong, why did the defendant not know the purpose of registering the business? Further, why did he make an apparently unilateral decision to deregister it subsequently? In all probability, the new company was to facilitate the continued trading of Catplus machinery by him, whether alone or in conjunction with others, without the personal liability that the sole proprietorship would have attracted. I disbelieved his testimony about someone in Worldwide having his password in the BizFile system registering his name as a director without even informing him. It was simply too remarkable that an unknown someone would also choose the name Catplus two months after the defendant had deregistered his sole proprietorship of the same name. The defendant was well educated and was certainly no novice in matters relating to computer technology and in business affairs. He would surely know the importance of keeping such passwords confidential. If he did disclose his password to someone, then that someone must be a trusted person and the defendant would surely be able to identify him or her without any difficulty.

52 The website in issue was in all likelihood designed and maintained by the defendant. He was well versed in information technology and e-commerce. The purported registrant of the said website, Catplus Corporation, was a non-existent entity which had an address belonging to his late father and which was linked as the administrative contact to another website (<www.starsgroup.com>) belonging to another of the defendant's businesses (Stargateway).

53 The defendant claimed to have told Worldwide to remove the reference to Catplus International from the website in issue but remained nonchalant about whether they did remove it, purportedly because Catplus International was not conducting any business anyway. This evidence could not be truthful. He had been dragged into litigation because of the website. Surely he would want to make sure that the nexus between him and the website was broken. Worldwide was, in his words, a family company. He should have no trouble whatsoever ensuring that his request was attended to. After all, there was no allegation about bad relationships within his family and he was a director in Worldwide until 27 October 2005 and remained a shareholder therein. In any event, his purported request to Worldwide showed that he understood the website in issue to be referring to his business and not, as he surmised, the international office of some entity of the same ilk.

54 Clearly, the plaintiff did not consent to the defendant, Worldwide or any of the entities listed in the website in issue or in the brochures using any of its CAT marks and no such consent has been alleged by the defendant. Section 27(4) of the Trade Marks Act provides that a person "uses" a sign if he offers goods and services under that sign, uses it on catalogues or other commercial documents in any medium or uses it in advertising. To amount to infringement, the use must have been "in the course of trade". "Trade", according to s 2(1) of the Trade Marks Act, includes any business or profession. It is wide enough to include any form of commercial dealing in goods or services. The phrase "in the course of trade" has been said to refer to any activity carried out "for the purposes of trade" rather than "in trade" and is thus wide enough to include any activity between the production of goods and the actual placement of the goods in the market (*Tan Tee Jim SC, Law of Trade Marks and Passing Off in Singapore* (Sweet & Maxwell Asia, 2nd Ed, 2005) at paras 10.19 and 10.20). The defendant had, through the website in issue and the brochures, offered goods for sale under the offending marks, used the offending marks on catalogues and commercial documents and in advertising. There was therefore use in the course of trade.

55 The offending marks are obviously not identical to the CAT marks but are they similar? To examine the issue of similarity, one does not take into account any external added matter or circumstances and the comparison should be mark for mark (*Origins Natural Resources Inc v Origin Clothing Ltd* [1995] FSR 280). One must also take the mark as a whole and not nitpick for individual similarities. Under the doctrine of imperfect recollection, marks are not compared side by side and

examined in detail because the person who is confused often makes comparison from memory removed in time and space from the marks (M Ravindran, *Butterworths' Singapore Statutes, Intellectual Property, Trade Marks Act – A Commentary* (LexisNexis, 2002 Ed) at p 42).

56 The plaintiff's trade marks and the offending marks are essentially word marks. The plaintiff submitted that the first syllable for word marks was always important given that people tended to remember the first syllable and slur the remaining ones. The defendant retorted that while that might be generally correct, it was not possible to slur the aspirative "p" in Catplus. Although some of the plaintiff's CAT marks are coupled with the triangle device beneath the "A", the significant and prominent part, visually and aurally, is still the word "CAT". Visually and aurally, the offending marks are similar to the plaintiff's CAT marks. The ideas conveyed by marks should also be considered. In this respect, the offending marks are conceptually similar to the plaintiff's CAT marks as the suffix "PLUS" is merely laudatory. It suggests that the offending products are an upgraded or improved version of Caterpillar products. It is therefore not sufficiently distinctive to distinguish the offending marks from the plaintiff's. The additional inscription of "CATPLUS INC, USA" at one corner is in small-sized print and is hardly noticeable. This inscription does not appear in every instance where "CATPLUS" was used. In any event, even if one notices this inscription, the word that will stand out is again "CAT". In my view, the offending marks are similar to the plaintiff's CAT marks. The decision in *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR 816 is of no assistance to the defendant as the "POLO" mark there was not considered distinctive as it was almost never used on its own but in conjunction with other words or marks. In addition, the addition of the word "PACIFIC" there is quite different from the present case of merely attaching a laudatory appendage to the plaintiff's "CAT".

57 In determining the issue of similarity of goods or services, the decision in *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 is instructive. There, Jacob J considered the following to be relevant factors in determining similarity:

- (a) the respective uses and users of the respective goods or services;
- (b) the physical nature of the goods or acts of service;
- (c) the respective trade channels through which the goods or services reach the market;
- (d) in the case of self-serve consumer items, where in practice they are respectively found or likely to be found in supermarkets and, in particular, whether they are or are likely to be found on the same or on different shelves; and
- (e) the extent to which the respective goods or services are competitive. This includes how those in the trade classify the goods.

On the facts of the present case, there can be no doubt that the goods and services of the defendant are identical or, at least, very similar with the plaintiff's.

58 The plaintiff suggested that the question whether there is use "in relation" to goods or services depends on whether those goods or services are the primary or principal items of trade or merely vehicles used to serve other trade objectives. This argument appears to have been taken from *Law of Trade Marks and Passing Off in Singapore* ([54] *supra* at para 10.50). On the facts here, the offending marks were applied to the offending products and were used on the website in issue and the brochures to advertise and offer for sale the said products. Such use would surely fall within the ordinary meaning of "used in relation to goods or services". The position is no different even if the

defendant's trade in such goods and services was only a small part of his otherwise legitimate business.

59 In considering where there exists a likelihood of confusion on the part of the public because of the defendant's use of the offending marks, all the surrounding circumstances should be considered, including the visual, aural and conceptual similarities between the plaintiff's CAT marks and the offending marks, the distinctiveness and long-standing use of the trade marks and the amount invested in promoting them, the nature of the goods or services in question and the kind of customers who buy or use them.

60 As indicated earlier, the offending marks are similar to the plaintiff's CAT marks and the offending products are identical or, at least, very similar with those of the plaintiff. The goods and services in issue are relevant essentially to those engaged in the construction industry and are therefore directed at the same market. Although it can be expected that the probable purchasers and users of such goods and services would possess a level of knowledge of construction equipment and machinery beyond that of the average man in the street, not all such purchasers are global conglomerates with institutional research and knowledge. The CAT marks are highly distinctive in the industry and have been used here since 1988. They have been supported by substantial advertisement and promotion. It seems to me that it is very likely that a significant segment of potential purchasers and users would be confused by the defendant as to the source of the goods and services and may even believe that the offending products are enhanced or updated models of the Caterpillar equipment and machines. Even experienced traders in the industry (as attested to by the plaintiff's witnesses) experienced some uncertainty as to the origin of the defendant's goods when they saw the name plates. The court may take into account the likelihood of confusion on the part of the public overseas (*Sime Darby Edible Products Ltd v Ngo Chew Hong Edible Oil Pte Ltd* [2000] 4 SLR 360) in determining whether there is likely to be confusion here.

61 Accordingly, I find that the plaintiff has proved its case on infringement of its trade marks.

62 Where passing off is concerned, the plaintiff has to show that:

- (a) goodwill or reputation attaches to the plaintiff's products and services in the mind of the purchasing public by association with the plaintiff's CAT marks and get-up under which the plaintiff's products and services are offered to the public, such that the plaintiff's CAT marks and get-up are recognised by the public as distinctive of the plaintiff's products and services and no other;
- (b) the defendant has made misrepresentations to the public leading or likely to lead the public to believe that the defendant's goods or services originate from or are associated with the plaintiff; and
- (c) the plaintiff has suffered or is likely to suffer damage.

63 In Christopher Wadlow, *The Law of Passing-Off* (Sweet & Maxwell, 2nd Ed, 1995) at para 2.33, the learned author states:

Rather than establishing a branch or subsidiary of his own in a foreign territory, a trader may appoint another independent trader to represent him there. ... Whatever the status of the representative, provided that the goods handled by him are identified with the foreign supplier rather than the importer, then the supplier will have goodwill in the territory into which the goods are imported.

64 The plaintiff's sole authorised dealer, Tractors Singapore Ltd, has achieved substantial sales here in respect of the plaintiff's goods and services which are identified with the plaintiff rather than Tractors Singapore Ltd. The impressive sales coupled with the advertisement and promotion expenditure evidenced the plaintiff's goodwill and reputation here.

65 The defendant's cumulative acts of adopting a mark similar to the plaintiff's CAT marks and of model numbers and nomenclature used exclusively by the plaintiff would tend to mislead a significant segment of the purchasing public that his goods and services originated from the plaintiff or that there was a business connection between the parties. The defendant was aware of the plaintiff and its goods and services, as shown by his reply to the private investigators' question about whether the plaintiff and Catplus International were related. Because of the stand taken by him in his defence, he has offered no evidence as to how the offending marks and get-up came to be adopted for the offending products. His involvement in the businesses shown in the search and in Catplus International, his seeming ease in answering the commercial inquiries of the private investigators, together with his late father's involvement in trading in construction equipment all show that he was not disinterested in the business of construction equipment and machinery, contrary to what he professed in court. Clearly, he knew the effect his acts would have on the public and he intended that effect.

66 The plaintiff here only needs to prove the likelihood of damage in order to succeed in its claim in passing off. It cannot be disputed that the defendant's goods and services were in direct competition with the plaintiff's. Naturally, the defendant's business would take away unfairly part of the legitimate business of the plaintiff. There was therefore every likelihood of damage.

67 I therefore find that the plaintiff has also proved its case in passing off against the defendant.

68 According, I give judgment for the plaintiff and grant the injunctions sought to restrain the defendant from infringement of the plaintiff's CAT marks and from passing off his goods and services as those of the plaintiff. The inquiry as to damages or an account of profits is to be conducted by the Registrar. The plaintiff is also awarded costs of the proceedings up to the stage of trial. Costs pertaining to the inquiry before the Registrar are reserved to the Registrar.

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