

Mobil Petroleum Co, Inc v Hyundai Mobis
[2008] SGHC 104

Case Number : OS 1577/2007

Decision Date : 30 June 2008

Tribunal/Court : High Court

Coram : Lee Seiu Kin J

Counsel Name(s) : Lai Tze Chang Stanley, Vignesh Vaerhn and Lim Ming Hui Eunice (Allen & Gledhill LLP) for the appellant; Goh Yoke Hong Karol and Ang Kai Hsiang (Alban Tay Mahtani & De Silva LLP) for the respondent

Parties : Mobil Petroleum Co, Inc — Hyundai Mobis

Trade Marks and Trade Names – Grounds for refusal of registration – Bad faith – Whether similarity between opposed mark and earlier mark should lead to finding of bad faith – Section 7(6) Trade Marks Act (Cap 332, 1999 Rev Ed)

Trade Marks and Trade Names – Grounds for refusal of registration – Connection, confusion and damage to interests – Whether use of opposed mark in relation to goods or services for which registration was sought would indicate connection between those goods or services and proprietor of earlier mark – Section 8(3) Trade Marks Act (Cap 332, 1999 Rev Ed)

Trade Marks and Trade Names – Grounds for refusal of registration – Passing off – Whether close resemblance between opposed mark and earlier mark – Section 8(4) Trade Marks Act (Cap 332, 1999 Rev Ed)

Trade Marks and Trade Names – Grounds for refusal of registration – Similarity of goods and likelihood of confusion – Whether use of opposed mark was registered for goods or services identical with or similar to those for which earlier mark was protected – Whether there would be likelihood of confusion on part of public – Section 8(2) Trade Marks Act (Cap 332, 1999 Rev Ed)

30 June 2008

Judgment reserved.

Lee Seiu Kin J:

1 This is an appeal by the applicant ("Mobil") against the decision of the Principal Assistant Registrar of Trade Marks ("the PAR") allowing the application of the respondent ("Hyundai Mobis") for registration of the mark T02/05501Z ("the Opposed Mark"), which was described in Mobil's written submission as follows:

<u>Mark</u>	<u>Class</u>	<u>Goods</u>
MOBIS	12	Automobile apparatus and equipment, automobile mechanisms, engines automobile bodies, sections, devices including safety and anti-theft devices, automobile componentary segments, parts, fittings, and accessories for automobiles being goods in Class 12.

2 The application to register the Opposed Mark was filed on 17 April 2002. The Opposed Mark was published for opposition on 1 August 2003 and Mobil filed its Notice of Opposition to the registration of the Opposed Mark on 1 December 2003. As the date of the application to register the Opposed Mark was 17 April 2002, the relevant version of the legislation would be the 1999 Revised Edition of the Trade Marks Act (Cap 332)("the Act").

Grounds of Opposition

3 In its Notice of Opposition, Mobil set out the following grounds of opposition:

- (a) Registration of the Opposed Mark would be contrary to s 8(2) of the Act;
- (b) Registration of the Opposed Mark would be contrary to s 8(3) of the Act;
- (c) Registration of the Opposed Mark would be contrary to s 8(4) of the Act;
- (d) Registration of the Opposed Mark would be contrary to s 7(6) of the Act; and
- (e) Registration of the Opposed Mark would be contrary to s 7(1) of the Act.

4 Mobil relied on its MOBIL and MOBIL derivative trade marks in Singapore in support of its opposition to the Opposed Mark. These are set out in the appendix to the Notice of Opposition. There are 26 registered trade marks, most of which are in Class 4, with some registrations in Classes 2, 9, 16, 19, 35, 36 and 37.

5 The grounds for opposition based on ss 8(2) and 8(3) of the Act are set out in paragraph 6 of the Notice of Opposition as follows:

By virtue of the registrations and use of the Opponent's **MOBIL** and **MOBIL** derivative Trade Marks and because of the similarity of the Application Mark to the Opponent's **MOBIL** and **MOBIL** derivative Trade Marks, registration of the Application Mark, if allowed, would be contrary to the provisions of Sections 8(2) and 8(3) of the Trade Marks Act (Chapter 332). [emphasis in original]

6 The grounds for opposition based on s 8(4) of the Act are set out in paragraph 7 of the Notice of Opposition as follows:

By reason of the reputation and goodwill established in the Opponent's **MOBIL** and **MOBIL** derivative Trade Marks, the use of the Application Mark in relation to the goods for which registration is sought is calculated to deceive or cause confusion and will lead to the Applicant's goods being passed off as or mistaken for that of the Opponent's. Such use by the Applicant is also likely to lead to the belief that there is some connection in the course of trade between the Applicant and the Opponent when in fact no such connection exists. Registration of the Application Mark, if allowed, would therefore be contrary to Section 8(4) of the Trade Marks Act (Chapter 332). [emphasis in original]

7 The grounds for opposition based on s 7(6) of the Act are set out in paragraph 8 of the Notice of Opposition as follows:

By virtue of the prior registrations and use of the Opponent's **MOBIL** and **MOBIL** derivative Trade Marks, the Applicant cannot claim to be the bona fide owner of the Application Mark and registration of the Application Mark would therefore be contrary to Section 7(6) of the Trade Marks Act (Cap 332). [emphasis in original]

8 The grounds for opposition based on s 7(1) of the Act are set out in paragraph 9 of the Notice of Opposition as follows:

By reason of the prior registrations and use of the Opponent's **MOBIL** and **MOBIL** derivative

Trade Marks, the Application Mark is devoid of any distinctive character and therefore registration of the Application Mark would be contrary to Section 7(1) of the Trade Marks Act (Cap 332). [emphasis in original]

However this was not pursued by Mobil in this appeal and I need not deal with it.

Background Facts

9 The PAR heard the opposition on 26 June 2007 and gave her decision on 26 September 2007. In her grounds of decision, she set out the background facts at [4]–[14]:

Opponents' Evidence

4. The Opponents' evidence was declared by Robert E Harayda, the Assistant Controller of Exxon Mobil Corporation which is the parent company of the Opponents. He is also the Vice President of Opponents. He has been employed by the Exxon Mobil Corporation or its affiliates for 20 years and has been the Vice President of the Opponents since 1 January 2003. The Opponents are a subsidiary of Mobil Corporation which until 1999 was an independently owned global gas and oil company. In 1999 Mobil Corp was acquired by Exxon Mobil Corp. The Opponents are an indirect subsidiary of both Exxon Mobil Corp and Mobil Corp.

5. The Opponents or other Exxon Mobil companies are the registered proprietors or applicants of the trade mark Mobil or Mobil derivative marks in several classes in Singapore or worldwide. IN Singapore they have 49 registrations and they have numerous registrations in about 179 countries around the world. Some of the countries where they have registrations are Australia, China, European Union, Hong Kong, New Zealand, Thailand, United Kingdom and United States of America.

6. In their booklet Mobil: A Century in Singapore (Exhibit M-7) the Opponents state that the Mobil's first predecessor Vacuum Oil opened a company in Singapore in 1893. Vacuum Oil was the first to use the mark Mobiloil in Singapore. Vacuum Oil teamed up with Standard Oil Company of New York (Socony) and by 1931, the Flying Red Horse with the word Mobilgas underneath it was used by the Vacuum-Socony Corporation in Singapore. In 1955, the company changed its name to Socony Mobil Company Inc in America. In 1966, it changed the company name to Mobil Oil Corporation in America. In Singapore the Mobil Refining Singapore Sdn Bhd was incorporated in 1963. In 1966 Mobil opened its refinery in Jurong. Sometime in the 1960s the first petrol station bearing the name Mobil was opened in Singapore. In 1971 Mobil Refining Singapore Sdn Bhd changed its name to Mobil Oil Singapore Pte Ltd.

7. Exxon Mobil companies' sales of fuel products under the mark Mobil in Singapore are as follows:

1999	S\$ 169 m
2000	S\$ 195 m
2001	S\$ 218 m
2002	S\$ 191 m
2003	S\$ 195 m

8. Exxon Mobil companies' sales of lubricant products under the Mobil mark in Singapore are as follows:

2001 US\$ 139 m

2002 US\$ 116 m

2003 US\$ 116 m

9. Exxon Mobil companies' expenditure on promotions and advertising for lubricants and LPG under the Mobil mark are as follows:

1995 S\$ 1.3 m

1996 S\$ 1.9 m

1997 S\$ 2.7 m

1998 S\$ 1.9 m

1999 S\$ 1.6 m

10. The Exxon Mobil's companies advertising and promotion expenditure on the Mobil brand of products for the subsequent years are combined with the Esso brand of products and these figures are as follows:

2000 S\$ 1.5 m

2001 S\$ 4.7 m

2002 S\$ 2.5 m

2003 S\$ 3.1 m

11. The Mobil mark has been listed in the Business Week magazine as the one of the 100 Top Brands. In the year 2002 it was ranked 89 with a brand value of US\$2.36 billion and in the year 2004 it was ranked 96 with a brand value of US\$2.4 billion. In the booklet Mobil: A Century years in Singapore (Exhibit 7) published in 1993 for their century in Singapore celebration, it is stated that the company had 43 service stations in Singapore. In 1991 Mobil Asia Pacific Pte Ltd (MAPPL) was set up to coordinate activities in Singapore, Malaysia, Hong Kong, Taiwan, China, Thailand, the Philippines and Guam/Micronesia and it was awarded Operational Headquarters status by the Economic Development Board. In 1977 Mobil proposed the first Singapore Arts Festival and since then it remains its principal sponsor. It is a founding member and supporter of the Singapore Cultural Foundation and Singapore Symphony Orchestra and has been awarded the Patron of the Arts Award on 4 occasions. Mobil organizes the Mobil Marathon once in 2 years and has started the Mobil Athlete Adoption Scheme. Mobil also brings into Singapore world renowned speakers for the Annual Singapore Lecture. It also sponsors national school events like Chemistry and Physics Olympiads and the NUS National Economics Quiz.

Applicants' Evidence

12. The Applicants' evidence was declared by Myung-Ki, the manager in charge of intellectual

property rights of the Applicants. He has been employed by the Applicants or their affiliates for 13 years. The Applicants say their company was established in 1977 in Korea as Hyundai Precision & Ind. Co and that they changed their name to Hyundai Mobis in November 2000. The Applicants are in the business of designing and supplying automotive parts for Hyundai, Kia and other automobile companies in Korea and around the world. They say that they are the largest auto parts manufacturer in Korea. The Applicants state that the mark Mobis is derived from the combination of the words mobile and system. Mobile refers to automobiles and system refers to the harmonization of the complicated mechanical apparatus, therefore Mobis refers to an enterprise specializing in the manufacture of automobile components and system.

13. The Applicant has registrations and pending applications for the Mobis mark in 58 countries around the world. They say that their mark and the Opponents' Mobil mark co-exist in 13 countries throughout the world namely, Algeria, Aruba, Chile, Czech, Djibouti, Ecuador, Korea, Myanmar, Nepal, Norway, Rep Dominicana, USA and Zimbabwe. They say that in Algeria, Chile, Djibouti and USA their marks co-exist in the same class namely, class 12.

14. The Applicants state that they first commenced use of the mark in Korea in November 2000. Since then their goods bearing their mark have been manufactured and sold around the world. They have also launched an internet website www.mobis.co.kr since November 2000. They say that their mark has been advertised and promoted worldwide and that it is well known.

15. The Applicants say that the Opponents do not have any registrations in Singapore in class 12 which is the class that their application is in and that most of the Opponents' marks are in class 4 for fuels and lubricants. The Applicants state that fuels and lubricants are typically sold in fuel stations and that the Applicants' goods are sold to distributors of car parts.

16. The Opponents' and the Applicants' evidence show that the Opponents have opposed the Applicants' trademark applications in 9 countries, the Czech Republic, Bahrain, OAPI, Saudi Arabia, Korea, Chile, Ecuador, Finland and Spain. The Applicants were successful in obtaining registration in 7 countries. The Opponents were successful in opposing the registration in 2 countries, Spain and Ecuador. In Romania and Slovak Republic the Applicants' applications were allowed to proceed to registration with the exclusion of one item from their classification of goods, "oil filters". In the United Kingdom the application for Mobis was made in 4 classes, namely 7, 9, 11 and 12. The applications were allowed in classes 11 and 12. The applications were allowed in class 7 after the exclusion of oil filters. The application in class 9 did not proceed to registration as the Opponent had an earlier registration in class 9.

10 On 17 December 2007 Mobil obtained leave to adduce further evidence on the manner in which service stations and other trade channels in Singapore of Mobil and its competitors sell their branded goods and services. This was provided by way of an affidavit deposed by one Li Chi Fai and filed on 14 January 2008. In reply, on behalf of Hyundai Mobis, one Jae-Youp Park filed an affidavit on 18 February 2008.

Decision Below

11 The PAR rejected Mobil's opposition on all the grounds set out in the Notice of Opposition. In so doing, the PAR held for the purposes of ss 8(2)(b) and 8(3) of the Act that the Opposed Mark was similar to Mobil's registered trade marks numbers T48/09729G and T70/50787G for the word mark MOBIL.

12 For the purposes of s 8(2)(b) of the Act, the PAR held that the goods were not similar and that

there would not be a likelihood of confusion on the part of the public.

13 In respect of s 8(3) of the Act, the PAR found the MOBIL mark to be well known in Singapore as at 2002 and 2007. She also held that the use of the Opposed Mark in relation to the goods for which it sought to be registered would not indicate a connection between those goods and Mobil. In addition, she held that there was no likelihood of confusion on the part of the public because of such use. As Hyundai Mobis had not used the Opposed Mark in Singapore, the PAR considered that it would not be possible for Mobil to show that its interests are likely to be damaged by such use.

14 In respect of s 8(4)(a) of the Act, the PAR held that for the purposes of that provision, the use of the Opposed Mark by Hyundai Mobis on its goods would not lead to the type of misrepresentation required by the law of passing off.

15 In respect of s 7(6) of the Act, the PAR held that there was insufficient evidence to make an inference of bad faith.

16 Finally, in respect of s 7(1)(b) of the Act, the PAR found that the Opposed Mark was inherently distinctive and satisfied the requirement of that provision. Mobil has not contested this finding and its appeal concerned the other four findings of the PAR in respect of ss 8(2)(b), 8(3), 8(4)(a) and 7(6) of the Act.

Issues in this Appeal

17 Hyundai Mobis did not appeal against the decision of the PAR. Therefore the issues before me in this appeal pertain to the following findings of the tribunal below:

- (a) In respect of s 8(2)(b) of the Act, that
 - (i) the goods of Mobil and Hyundai Mobis were not similar; and
 - (ii) there was no likelihood of confusion on the part of the public.
- (b) In respect of s 8(3) of the Act, that
 - (i) the use of the Opposed Mark in relation to the goods for which it was sought to be registered would not indicate a connection between those goods and Mobil;
 - (ii) there was no likelihood of confusion on the part of the public because of such use; and
 - (iii) it was not shown that the interests of Mobil were likely to be damaged by such use.
- (c) In respect of s 8(4)(a) of the Act, that the use of the Opposed Mark by Hyundai Mobis on its goods would not lead to the type of misrepresentation required by the law of the tort of passing off.
- (d) In respect of s 7(6) of the Act, that there was insufficient evidence to make an inference of bad faith on the part of Hyundai Mobis in filing its application for the Opposed Mark.

18 Before I consider these issues, I will deal with two points. The first is that: the PAR had held that the Opposed Mark was similar to that of Mobil's on the ground that they were aurally and visually similar, but not conceptually similar. This was because both are invented words and conveyed no meaning. Before me, Mobil submitted that they were conceptually similar as well as they were both

linked to the word “mobile”; in Mobil’s case, it was a truncation of the word, whereas in Hyundai Mobis’ case, the word was meant to amalgamate “mobile systems”. However even if the word “mobil” is sufficiently close to “mobile” as to be related to that concept, in my view, the word “mobis” does not convey the same notion. I therefore agree with the PAR that conceptually, they are not similar.

19 The second is that it is important to bear in mind the physical nature of the respective marks. For convenience, I reproduce them below:

Mobil’s mark	Opposed Mark
[LawNet Admin Note: Image 1 is viewable only to LawNet subscribers via the PDF in the Case View Tools.]	[LawNet Admin Note: Image 2 is viewable only to LawNet subscribers via the PDF in the Case View Tools.]

The appeal

Section 8(2)(b): Similarity of goods and likelihood of confusion

20 Section 8(2)(b) of the Act provides as follows:

A trade mark shall not be registered if because —

(a) it is identical with an earlier trade mark and is to be registered for goods or services similar to those for which the earlier trade mark is protected; or

(b) it is *similar to an earlier trade mark* and is to be registered for *goods or services identical with or similar* to those for which the earlier trade mark is protected,

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

[emphasis added]

21 In *British Sugar plc v James Robertson & Sons Ltd* [1996] RPC 281 (“*British Sugar*”), Jacob J laid down the following factors which may be used to assess the similarity of goods (or services)(at 296):

- (a) the uses of the goods;
- (b) the users of the goods;
- (c) the physical nature of the goods;
- (d) the trade channels through which the goods reach the market;
- (e) for self-serve consumer items, whether in practice they are found or likely to be found, in particular on the same or different shelves; and
- (f) the extent to which the respective goods are competitive.

22 Applying the above test, the PAR considered that the physical nature of the goods in question were different as Mobil’s goods were oils and Hyundai Mobis’ goods were vehicle parts. She noted, however, that the users were the same – they were all vehicle owners. As for the channels of trade,

the PAR found that they were different although there may be instances of overlap. Some of Hyundai Mobis' goods, for example, anti-theft devices, could be sold in a petrol station store where Mobil's lubricants for engines would be sold. Likewise, Mobil's engine oils could be sold at a mechanic workshop where Hyundai Mobis' parts were also sold. Taking into account all the factors set out in *British Sugar*, the PAR formed the view that vehicle parts and fuels and lubricants were not similar goods under s 8(2) of the Act.

23 Mobil submitted that the PAR had placed too much emphasis on the physical nature of the goods and had given insufficient weight to the fact that the nature of the goods is ultimately for the maintenance and servicing of vehicles. In support of this point, Mobil relied on *Future Enterprises Pte Ltd v McDonald's Corp* [2006] 4 SLR 629 ("*Future Enterprises*") where Tay Yong Kwang J held at [16]–[17] that instant coffee mix and coffee (as in the drink) were similar goods despite the differences in their physical states. However, in my view, the situation in that case is very different from the present case. As stated by the learned judge in *Future Enterprises* (at [17]), "the basic product in both cases is coffee". I should add that coffee mix is not consumed in the crystalline state that it is sold in, but dissolved in water, by which time the two products are the same physically, differentiated perhaps only by flavour.

24 Mobil also submitted that there was a further factor to be considered. It was held by Jacob J in *Imperial Tobacco v Berry Bros & Rudd Ltd* CH 2001/APP/641 ("*Imperial Tobacco*") that distinctiveness and reputation of the cited mark would also be a relevant factor. Mobil also pointed out that the evidence from Li Chi Fai's affidavit showed that the channels of trade and points of sale were the same.

25 Mobil relied on Tan Lee Meng J's statement in *Johnson & Johnson v Uni-Charm Kabushiki Kaisha* [2007] 1 SLR 1082 (at [18]) that the factors set out by Jacob J in *British Sugar* should not be regarded as requirements that must all be satisfied before the goods in question can be treated as similar. I respectfully agree with this statement. The factors that Jacob J had set out in *British Sugar* and *Imperial Tobacco* are merely guidelines to assist in consideration of the matter at hand. The court must decide whether the goods are similar for the purposes of s 8(2)(b) of the Act bearing in mind the objective of the legislation. Mobil's primary submission was that, notwithstanding the difference in physical nature of the goods, fuels and lubricants on the one hand and auto-parts on the other hand, all of these products relate to the proper maintenance and servicing of automobiles and are perceived as such by the relevant consumers. This submission appears attractive in that it identifies a label under which both goods may be categorised. However, in my view, this category is too wide because it involves products ranging from gases such as refrigerants for air-conditioners, to liquids such as paint, additives, lubricants, brake and transmission fluids, to soft solids such as tyres, wiper blades, fan belts and gaskets, to hard solids such as spark plugs, oil filters and to every part of a vehicle that may be replaced for the purposes of maintenance and servicing. In my view, what is important is whether such goods will be considered by consumers to be similar goods. Posed in that manner, I do not think that they would as they are quite different in terms of physical state and type of application. I therefore agree with the PAR that the goods are not similar for the purposes of s 8(2)(b) of the Act.

26 Mobil submitted that there was a likelihood of confusion on the part of the public. The PAR considered: (a) the degree of distinctiveness of the MOBIL mark; (b) the degree of similarity between the MOBIL mark and the Opposed Mark; (c) the degree of similarity between the goods of Mobil and Hyundai Mobis; (d) the perception of the average consumer of the goods in question bearing in mind the possibility of imperfect recollection; (e) the risk that the public might believe that the goods come from the same source or economically linked sources; and (f) the absence of steps taken by Hyundai Mobis to differentiate its goods from that of Mobil's. She also considered the circumstances under

which the goods at issue were sold and found as a relevant factor the fact that Hyundai Mobis' goods mostly would involve a considered purchasing decision whereas Mobil's goods would involve off-the-cuff purchasing decisions. Taking into account these considerations, the PAR found that there would be no likelihood of confusion if the Opposed Mark were to be registered in Singapore for the classes in question.

27 Hyundai Mobis submitted that there was no need to consider the issue of likelihood of confusion once there is a finding that the goods are not similar, citing the decision of the Court of Appeal in *The Polo/Lauren Co, LP v Shop-In Department Store Pte Ltd* [2006] 2 SLR 690. Although that case involved an action for infringement under s 27(2)(b) of the Act, the provision there is similar to s 8(2)(b) of the Act. The Court of Appeal held (at [8]) that "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". I agree with the submission of Hyundai Mobis on this point as it is clear from s 8(2)(b) that the likelihood of confusion must be caused by one of the factors set out in subparagraph (a) or (b) of that subsection.

Section 8(3): Connection, confusion and damage to interests

28 Section 8(3) of the Act provides as follows:

A trade mark which —

- (a) is identical with or similar to an earlier trade mark; and
- (b) is to be registered for *goods or services which are not similar* to those for which the earlier trade mark is protected,

shall not be registered if —

- (i) the earlier trade mark is well known in Singapore;
- (ii) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered would *indicate a connection* between those goods or services and the proprietor of the earlier trade mark;
- (iii) there exists a *likelihood of confusion* on the part of the public because of such use; and
- (iv) the interests of the proprietor of the earlier trade mark are likely to be damaged by such use.

[emphasis added]

29 The PAR found that the MOBIL mark was well known in Singapore for the purpose of subparagraph (i) of s 8(3) of the Act. This finding has not been challenged by Hyundai Mobis.

30 In relation to subparagraph (ii), the PAR was of the view that the use in relation to the goods of the Opposed Mark, with its physical form having the letter O in red and remaining letters in black, was not likely to result in a substantial number of average Singaporeans making a connection between the vehicle parts sold by Hyundai Mobis and Mobil. She explained that this would mainly be because a consumer, when choosing a vehicle part, must choose a part according to its compatibility with the vehicle, a process which required consideration. And because it required such consideration, the average Singaporean consumer would not make such a connection even though he might be reminded

of the MOBIL mark. The PAR therefore considered that this requirement was not satisfied. In respect of subparagraph (iii), the PAR reasoned that there being no likelihood that the use of the Opposed Mark on vehicle parts would indicate a connection with Mobil, it would be even more unlikely that the use of that mark on vehicle parts would cause confusion.

31 Mobil submitted that the term “connection” had to be construed widely, to include any form of commercial or trade connection between its goods and those of Hyundai Mobis. This would include any form of commercial connection, including being associated with the owner of the MOBIL mark. Mobil pointed out that, historically, certain types of automobile parts and accessories have been concurrently sold at service stations. In addition, automobile parts and automobile lubricants were complementary goods and often sold together in connection with automobile servicing and maintenance (whether performed at a service station or other automobile service centre). Mobil pointed out that retail automobile parts stores and other mass merchandisers frequently offer automobile parts and accessories as well as vehicle lubricants and other automotive fluids at the same venue. Mobil relied on the additional evidence in the further affidavit of Li Chi Fai to show that Mobil branded fuel and lubricant products and other branded automobile fuel and lubricant products are commonly sold in the same locations, distributed through the same trade channels, and displayed in close proximity to goods covered by the specification of goods for the Opposed Mark in Singapore. Mobil noted that some customers may not be highly educated or conversant in English and therefore may not notice the difference in the sound made by the last consonant in each of the two marks and may even remember the two marks by the dominant sounds/features, “MO-BI”. The average consumer in these circumstances is likely to overlook the insignificant differences between the Opposed Mark and the MOBIL and MOBIL derivative trade marks, resulting in a likelihood of confusion. Mobil submitted that the PAR had erred in law in finding that subparagraph (iii) was not satisfied because a substantial number of average Singaporeans would not make a connection.

32 I am unable to agree with these submissions of Mobil. Although the term “connection” has to be construed widely, it has to be done in the context of the MOBIL mark and the Opposed Mark, taking into account their visual and aural similarities. I should add that it is also necessary to take into account their dissimilarities or, expressed in another manner, the extent to which they are similar. Thus, if the two marks are visually very close, then the likelihood of a connection and confusion would be higher. In the present case, although there is similarity, the degree of resemblance is limited to some extent by the differences in font, capitalisation and colours (see [19] above). In the context of the nature of the goods of Mobil and Hyundai Mobis, I do not find that the use of the Opposed Mark by Hyundai Mobis would indicate a connection with Mobil.

33 To succeed under s 8(3) of the Act, Mobil must show that the requirements of all four subparagraphs are met. In respect of subparagraphs (ii) and (iii), they are related in the sense that the greater the similarity between the two marks in question, the greater would be the connection indicated and the greater the likelihood of confusion on the part of the public. While I agree with Mobil’s submission that there is no test prescribed in the law that requires a consideration of whether a substantial number of average Singaporeans would make a connection, I am not persuaded that the PAR had made such a finding. From the construction of s 8(3), consideration of the four subparagraphs must necessarily proceed serially. Therefore, if the requirement in subparagraph (i) is not met, *ie*, that the earlier mark must be well known in Singapore, then it is not necessary to consider the remaining requirements. Similarly, proceeding to subparagraph (ii), if no connection between the two sets of goods is indicated, it becomes unnecessary to consider the next requirement. This is because there cannot be any confusion unless a connection is indicated. But even if a connection is indicated, Mobil must then show that, arising from the connection, there exists a likelihood of confusion on the part of the public. This is where the PAR’s consideration, as to whether the average Singaporean would be confused, becomes relevant. It cannot be within the

contemplation of the Act that subparagraph (iii) would be satisfied if only a single member of the public would be confused by the use of both marks. In my opinion, in view of the words “likelihood” and “public”, the test ought to be whether there is a substantial number of the relevant public (*ie*, people who are in the market for such goods) would be confused. By “substantial number” I do not mean a majority, but a not insubstantial number. Applying that test, I find that even if there were a connection indicated, there does not exist a likelihood of confusion on the part of the public in view of the different nature of the goods and the nature of the two trade marks.

34 As for subparagraph (iv), the PAR held that it would not be possible for Mobil to show that its interests are likely to be damaged by such use as the Opposed Mark has not yet been used in Singapore. I agree with Mobil that this holding is wrong as this would mean that only upon its use can an opposition to a new mark succeed under this provision, no matter how closely it resembles an existing well known mark. Indeed, this provision enables the owner of an existing mark to oppose the registration of a new mark and it therefore necessarily involves a mark that is not yet used. I am of the view that, if the requirements in subparagraphs (ii) and (iii) are made out, there is enough evidence in the affidavits filed to support a finding that the interests of Mobil are likely to be damaged by use of the Opposed Mark.

Section 8(4)(a): Passing off

35 Section 8(4)(a) of the Act provides as follows:

A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented —

(a) by virtue of *any rule of law* (in particular, the law of *passing off*) protecting an unregistered trade mark or other sign used in the course of trade.

[emphasis added]

36 Mobil submitted that the use of the Opposed Mark by Hyundai Mobis on its goods is the most basic type of misrepresentation required by the tort of passing off insofar as the PAR had held that the Opposed Mark was similar to Mobil’s marks.

37 On the issue of goodwill, the PAR found that Mobil had a presence in Singapore since the 1930s and had been using the MOBIL mark since the 1960s for lubricants and oils. Sales were in the hundreds of millions of dollars every year, with advertising promotion expenditure in excess of a million dollars a year. The PAR found that Mobil had a reputation in the business of selling fuels and lubricants under the Mobil mark.

38 The PAR went on to consider whether the use by Hyundai Mobis of the Opposed Mark (with its physical form having a red letter O) on vehicle parts would lead to the type of misrepresentation required in the law of passing off. She held that there was no misrepresentation in the present case for the same reason she found that there would be no confusion under s 8(2) of the Act and that there would be no connection and confusion under s 8(3) of the Act.

39 Mobil’s case on this point is based substantially on the submission that there is a close resemblance between the two marks. For the reasons given earlier (at [32] above), I do not agree that there is such a degree of resemblance, seen in the context of the goods the marks are used for, as would constitute a misrepresentation for the purposes of the law of the tort of passing off.

Section 7(6): Bad faith

40 Section 7(6) of the Act provides as follows:

A trade mark shall not be registered if or to the extent that the application is made in bad faith.

41 Whether the application was made in bad faith is a question of fact and the onus lies on Mobil to prove it. Mobil submitted that, firstly, there was no doubt that Mobil has established tremendous goodwill in its MOBIL mark. Secondly, the Opposed Mark closely resembled the MOBIL mark as it reproduces four out of the five letters of the MOBIL mark with the letter O in red and distinct from the remaining letters and they are visually, aurally and conceptually similar. Mobil contended that that there was more than sufficient evidence to make an inference of bad faith on the part of Hyundai Mobis in filing its application for the Opposed Mark.

42 Hyundai Mobis had explained on affidavit that the Opposed Mark "was derived from the combination of the words 'mobile' and 'system'" and that it "referred to an enterprise specializing in the manufacture of automobile components and systems". Mobil submitted that these assertions were not supported by any credible evidence, but even if true, their significance was far outweighed by the high degree of similarity between the MOBIL mark and Opposed Mark. Before the PAR (but not before me) Mobil submitted that "mobis" was not a logical combination of the words "mobile" and "system" whereas "mosys" would be a logical combination. I do not quite agree that "mosys" would be any more logical than "mobis", especially if the connotation of "mobile" is required. In the circumstances, I do not find that the explanation on the derivation of the Opposed Mark to be incredible at all.

43 In my view the resemblance between the two marks is not so close in the context of the different goods they are used for that I would be prepared, in the absence of further evidence, to make a finding of bad faith.

Conclusion

44 In view of the above, I find that the PAR was correct in holding that the grounds of opposition under ss 8(2), 8(3), 8(4) and 7(6) of the Act have not been made out, albeit for slightly different reasons. Accordingly Mobil's appeal is dismissed with costs.

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Mobil Petroleum Company Inc v Hyundai Mobis
[2008] SGHC 104

Image 1

Image 2

Mobil's mark	Opposed Mark
	