

Valentino Globe BV v Pacific Rim Industries Inc
[2009] SGHC 150

Case Number : OS 844/2008

Decision Date : 29 June 2009

Tribunal/Court : High Court

Coram : Chan Seng Onn J

Counsel Name(s) : Ponnampalam Sivakumar (Joseph Lopez & Co) for the appellant; Samuel Seow and Jonathan Yuen (Samuel Seow Law Corporation) for the respondent

Parties : Valentino Globe BV — Pacific Rim Industries Inc

Trade Marks and Trade Names – Registration – Whether trade mark for registration was similar to pre-existing trade marks – Section 8(2) Trade Marks Act (Cap 332, 2005 Rev Ed)

Trade Marks and Trade Names – Registration – Whether application for trade mark to be registered was made in bad faith – Section 7(6) Trade Marks Act (Cap 332, 2005 Rev Ed)

29 June 2009

Chan Seng Onn J:

Introduction

1 This is an appeal from the decision of the Principal Assistant Registrar of Trade Marks ("PAR"), who had in her written grounds of decision ("the GD") dated 29 May 2008 dismissed the Appellant's application to oppose the registration of the Respondent's trade mark ("the Application Mark"). At [117] of the GD, the PAR remarked that the opposition had "fail[ed] on all the grounds pleaded".

2 Dissatisfied with the PAR's decision, the Appellant brought this appeal. Having heard arguments from both parties on 17 March 2009, my findings and conclusion do not depart from the PAR's. Consequently, I dismissed the appeal.

Background facts

3 The Appellant is Valentino Globe B.V. care of Prof. J.H. Bavincklaan 7, 1183 Amstelveen, The Netherlands. At the time the notice of opposition was filed, which was 25 June 2004, the Appellant had owned trade mark registration rights in Singapore for an array of "Valentino" trade marks bearing multifarious designs. These "Valentino" trade marks or a subset of these "Valentino" marks shall be collectively termed, for the purposes of my decision, the "Valentino Marks".

4 The Application Mark, on the other hand, is an "Emilio Valentino & V Device" as shown below:

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

This is the offending trade mark which registration the Appellant had opposed.

5 On 18 December 2003, Pacific Rim Industries Inc. ("the Respondent") of 5359 Valley Blvd, Los Angeles California 90032, United States of America, filed the above Application Mark for registration in respect of "Leather goods; all included in Class 18". The registration application was accepted and

advertised on 25 June 2004 in the Trade Marks Journal.

6 Subsequent to the registration of the Application Mark, the Appellant filed a Notice of Opposition against the registration of the Application Mark on 25 August 2004 on the strength of several grounds, two of which are the subject of this appeal. These two claims state that:

- (i) there existed a likelihood of confusion on the part of the public as the Application Mark was similar to the Appellant's Valentino Marks and was to be registered for similar or identical goods, contrary to s 8(2) of the Trade Marks Act (Cap 332, 2005 Rev Ed) ("TMA"), and
- (ii) the registration of the Application Mark was precluded by the Respondent's bad faith pursuant to s 7(6) of the TMA.

7 After a hearing which took place before the PAR on 14 and 29 February 2008, the PAR reserved judgment and delivered her grounds on 29 May 2008. As adverted to earlier, the PAR had found that the opposition failed on all grounds.

Issues on Appeal

8 As identified by the Appellant, the issues on appeal before me were as follows:

- (i) Whether the PAR had erred in finding that the Respondent had not acted in bad faith under s 7(6) of the TMA; and
- (ii) Whether the PAR had erred in fact and in law in dismissing the Appellant's ground of opposition under s 8(2) of the TMA.

9 Order 87 rule 4(2) of the Rules of Court provides that an appeal from the Registrar of Trade Marks shall be by way of "rehearing". At para 87/3/7 of *Singapore Civil Procedure 2007* (Sweet & Maxwell Asia, 2007 Ed) ("*Singapore Civil Procedure*"), it iterates that appeals to the court from the decision of the registrar [of trade marks] is governed *inter alia*, by O. 55 and that the procedure is "by way of rehearing...".

10 On O. 55 which governs appeals to the High Court from any court, tribunal or person, para 55/1/2 of *Singapore Civil Procedure* notes that O. 55 r 2(1) stipulates that the appeal is by way of rehearing. Order 55, it suggests, confers upon the Court wider powers than those so conferred under O. 53 which deals with, *inter alia*, judicial review. Hence, O. 55 r 6(5) provides that the appellate court can make any order which should have been made by the tribunal. The appellate court is thus not confined to merely determining whether the decision below was compliant with rules of natural justice or reached honestly (*Ling Uk Choon & anor v Public Accountants Board* [2004] 3 SLR 517 at [32]).

11 "By way of rehearing" in my view means that the Court is not constrained to determine only whether the tribunal's decision was proper and/or contained manifest errors of fact and law. If it wishes to, the Court in its discretion may consider the entire ream of evidence before it and venture beyond determining the propriety of the tribunal's decision or inquiring into whether there had been manifest errors of fact or law. However, I do not think that it places an *irrevocable burden* upon the Courts to hear the matter anew so that the substantive merits fall to be determined afresh. As para 57/3/1 of *Singapore Civil Procedure* observes with regard to the phrase "by way of rehearing",

albeit in relation to appeals to the Court of Appeal -

These words do not mean that the witnesses are heard afresh. They indicate the appeal is not limited to a consideration whether the misdirection, misreception of evidence or other alleged defect in the trial has taken place, so that a new trial should be ordered. They indicate that the court considers (so far as may be relevant) the whole of the evidence given in the court below and the whole course of the trial.

...

The courts' power is therefore discretionary.

12 Though I have had recourse to the learned PAR's reasoning in her GD, I have nonetheless independently found on the evidence placed before me that I share the same conclusion as her. Thus, I find that not only has the PAR not erred in her findings, my findings also resonates with hers. I thus dismissed this appeal.

The PAR's decision

13 It is important to note that the Application Mark was registered in class 18, being registered in respect of "Leather goods; all included in class 18." Class 18 covers the following items: "Leather and imitations of leather, and goods made of these materials and not included in other classes; animal skins, hides; trunks and travelling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery".

14 The Appellant's relevant Valentino Marks were also registered in class 18, with "overlapping" registrations under class 25 and several other classes of goods. **Class 25 covers "clothing, footwear, headgear"**. Reproduced below are six of the Valentino Marks which were brought to my attention during the hearing of the appeal. I should point out though, that there was a particular Valentino Mark, T99/04403D, which had been referred to but omitted in the list given to me. For the purposes of my decision, I have thus considered seven marks altogether, *i.e.* the six marks below and the omitted trade mark reproduced at [\[18\]](#) of this judgment.

[LawNet Admin Note: Image 2 to Image 7 are viewable only by [LawNet](#) subscribers via the PDF in the Case View Tools.]

15 I shall deal with the second plank of the Appellant's appeal first, *i.e.* that the PAR had erred in finding that there was no ground for opposition of the registration of the Applicant Mark under s 8(2) TMA.

The s 8(2) TMA issue

16 Section 8(2) of the TMA provides that:

8(2) 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.

17 At [68]-[71] of her GD, the PAR noted the Appellant's array of Valentino Marks and observed that the only marks relevant to the opposition were those registered in class 18. Some of these Valentino Marks registered in class 18 were confined only to certain products and did not cover "leather goods". For example, T00/21726H (the ellipse with Valentino at the bottom/ see image below) though registered in class 18 was specified to be for "umbrellas" and nothing more. This trade mark was not registered under class 25. Another example is T99/04403D (the endless belt device with Valentino at the bottom/see image) which was registered in class 18 but specified to be only for "Umbrellas, parasols and walking sticks". This was unlike the Respondent's Application Mark which was registered for "leather goods, all included in class 18".

18 After identifying the trade marks which were relevant to the opposition application (*i.e.* those registered in class 18), the PAR proceeded to ascertain which of these "selected" trade marks were, *prima facie*, most similar to the Application Mark for the purposes of s 8(2) of the TMA. She found, and not unreasonably so, that only T99/04403D and T00/21726H (see below) were most similar to the Application Mark ([72] of GD), and that if these two marks below were found not to be similar to the Application Mark, there would be no need to compare the other trade marks of the Appellant.

[LawNet Admin Note: Image 8 and Image 9 are viewable only by [LawNet](#) subscribers via the PDF in the Case View Tools.]

19 The PAR eventually found that the above two marks ("the Relevant Marks") were visually, aurally and conceptually dissimilar to the Applicant Mark. Her reasoning is explored later in this judgment.

The s 7(6) TMA issue- bad faith

20 Section 7(6) TMA provides that:

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

Since it was the Appellant which had alleged bad faith on the part of the Respondent, the PAR rightly pointed out that the burden rests upon the Appellant to prove such bad faith. The specific instances of bad faith alleged by the Appellant were the Respondent's hijacking of its Valentino Marks; the Respondent's lack of proprietorship with regard to the Application Mark and the Respondent having copied the Application Mark from a gentleman in Italy who shared an identical mark with the Respondent.

21 At [99]-[114] of her GD, the PAR dealt extensively with the issue of bad faith. She first found that many fashion traders use the word 'Valentino' in their trade marks. Merely incorporating 'Valentino' in the Application Mark did not lead to an automatic inference that the application to register the Application Mark was made in bad faith on the basis that it was misappropriated from the Appellant. In fact, the PAR pointed out that the word 'Valentino' itself had been registered in class 18 by one Mario Valentino S.p.A. Given the plethora of trade marks containing the word 'Valentino', the

PAR did not err in finding that the incorporation of the word 'Valentino' in the Application Mark *ipso facto* did not provide a sufficient basis to find bad faith.

22 The PAR also found that the fact that the Respondent is a Californian company which allowed another company, Impressions International Import & Export ("Impressions"), to manufacture its goods in China and to market the goods with the word 'Italy' under a mark which was Italian-sounding (*i.e.* Emilio Valentino) could not in itself lead to an inference of bad faith either.

23 The Appellant had argued that the Respondent was not the true proprietor of the Application Mark, in light of an averment in the affidavit of one Hor Soon Hong ("HSH") that he, *i.e.* HSH, was the proprietor of the Application Mark. This affidavit of HSH had been filed in the High Court to quash certain search warrants obtained by the Appellant to search his company, Impressions. The PAR, however, emphasised that this averment in HSH's affidavit had to be seen in its proper context. As she correctly observed at [105] of the GD, HSH's claim that he was the owner of the Applicant Mark was made "in the context of the distribution and manufacturing agreement".

24 Quite pointedly, the PAR remarked that if the Appellant had wished to establish that HSH was indeed the genuine owner of the Application Mark and/or owned the goodwill and reputation in the Application Mark, it should have called HSH to give evidence of such. The PAR decided that the affidavit filed by HSH in another proceeding was not sufficient evidence to establish that the Respondent was not the owners of the Application Mark.

The Appeal

The s 8(2) issue

25 On the s 8(2) issue, the Appellant argued that its array of Valentino Marks evinced a "monopoly claimed to the device mark [of the word mark Valentino on its own] as well as the composite mark consisting of both the word Valentino and the V device." Consequently, it argued that the Application Mark, which reads 'Emilio Valentino', would result in a misimpression that it was another mark in the Valentino Mark series, thereby resulting in public confusion.

26 First, I do not accept that the Appellant has a monopoly of the word Valentino. If it did, then the many marks which contain the word 'Valentino' would never have been registered to begin with. Second, viewing the Application Mark and the Appellant's Relevant Marks holistically, I find that there is indeed little similarity, be it visually, aurally or conceptually. Even though the common denominator between the Application Mark and the Appellant's trade marks is the word 'Valentino', the Application Mark consists of several other distinguishing features as the PAR had pointed out. Accordingly, I am of the view that the use of the Application Mark would not result in a likelihood of confusion. The most outstanding difference between the Application Mark and the Relevant Marks is, to my mind, the name "Emilio" in the former. That the name "Emilio" precedes "Valentino" is a very glaring difference between the marks because in the *aural sense* especially, they are very distinct from one another. One would hear the name "Emilio" before "Valentino" when pronouncing the Application Mark and reading-wise, one would very likely read the name "Emilio" first too. The Application Mark must be viewed in its entirety. Simply because it incorporates the word 'Valentino' does not mean that it is so visually and aurally similar as to be confused with the Appellant's Relevant Marks.

27 At the hearing before me, six Valentino Marks were shown to me. Given that the Application Mark contains the words "Emilio Valentino", it only made sense that the relevant Valentino Mark, for the purposes of s 8(2) TMA would be those that were similar to the Application Mark, and this would likely be the trade marks containing the word "Valentino". I thus found that T96/08712C, T00/21730F

and T96/11520H (see below) bore no semblance of similarity to the Applicant Mark. T00/21730F and T96/11520H consist only of a 'V' with a device. T96/08712C itself in fact, actually comprises of only Chinese characters. To argue that the Applicant Mark is similar to the trade marks below would require a ridiculous stretch of the imagination.

[LawNet Admin Note: Image 10 to Image 12 are viewable only by [LawNet](#) subscribers via the PDF in the Case View Tools.]

28 As for the remaining four trade marks, I am of the view that T89/07702I, which contains the words "valentino garavani", is also dissimilar to the Applicant Mark for the purposes of s 8(2). Simply because the word "valentino" is embedded within the marks does not make "Emilio Valentino" and "valentino garavani" similar to each other. Juxtaposing the "valentino garavani" trademark against the Application Mark, I am hard pressed to find any similarity save for the common constituent word "valentino", but even that similarity is far from compelling as the Application Mark uses the capital letter "V" in spelling "Valentino" whereas the Appellant's mark uses the lowercase letter "v". Further, "valentino" in the Appellant's "valentino garavani" trademark precedes the word "garavani" whereas in the Application Mark, 'Valentino' only comes after the word "Emilio". Visually and aurally, the marks are thus more distinct than similar.

29 This leaves me with only three Valentino Marks to consider, that is, T99/04403D, T00/21726H and T89/07703G which present a case, albeit a weak one in my opinion, for confusing similarity with the Application Mark. With regard to T89/07703G, the word 'valentino' is above the 'V' endless belt device (*supra* [\[14\]](#)). The positioning of the word 'Valentino' in relation to the device is thus unlike that in the Application Mark which has the words 'Emilio Valentino' below, not above the stylized 'V'. Thus, the most relevant marks for the purposes of comparison under s 8(2) TMA are T99/04403D and T00/21726H. I note that the PAR herself also adopted these two Valentino Marks/the Relevant Marks for comparison after sieving out the irrelevant ones.

30 In determining whether there was similarity between the Application Mark and the remaining two Relevant Marks, the PAR rightly adopted the test of visual, aural and conceptual similarity and the "3-step approach" set out in *Polo/Lauren Co, LP v Shop-In-Department Store Pte Ltd* [2006] 2 SLR 690 ("*Polo/Lauren*") which established that there must be (i) similarity between the offending mark and the registered mark; (ii) the sign and mark must be used in relation to similar goods and services; and (iii) owing to (i) and (ii), there exists a likelihood of confusion on the part of the public.

31 As my reasoning is very much on fours with the PAR's, I have quoted quite extensively from her GD as my decision in essence simply reaffirms the correctness of her findings. No further ink thus needs to be spilled.

Visual similarity

32 At [\[75\]](#) of the GD, the PAR stated that:

Comparing the marks as wholes, I am of the opinion that there is no visual similarity between the Application Mark and the [Relevant Marks]. The marks are only similar in so far as, the words Valentino appear in both marks and, the marks are composite marks with a V device above the words in the marks. The marks are visually distinct because:

- a) the "V" device in the Application Mark is different from the "V" device in the [Relevant Marks], as the [Respondent's] device is a letter "v" in an old manuscript font, whereas in the [Relevant Marks] the letter "V" fuses into an endless belt device;
- b) the "V" device in the Application Mark is separated from the words Emilio Valentino in the bottom half of the mark, by a line. This is not the case in the [Relevant Marks] where there is no line separating the elements in the marks;
- c) the Application Mark comprises the words "Emilio Valentino" whereas the [Relevant Marks] comprises only the word Valentino. Therefore essentially the marks being compared are, a 1 word composite mark and a 2 word composite mark with different devices.

To the above, I would add that the Relevant Marks spell out the word "VALENTINO" in uppercase lettering, whereas in the Application Mark, only the first letter of the words "Emilio" and "Valentino" are in uppercase. The more striking differences between the Applicant Mark and the Relevant Marks would perhaps be the fusing of the 'V' into a device in the latter as opposed to the isolated "V" in the Applicant Mark and the prefatory 'Emilio' in the Application Mark which is absent in the Relevant Marks.

33 I thus find that there is no visual similarity between the Relevant Marks and Application Mark.

Aural similarity

34 With regard to the aural similarity (or otherwise) between the Application Mark and the Relevant Marks, the PAR stated at [77] of her GD that based on the case of *London Lubricants (1920) Ltd's Appln* (1925) 42 RPC 264, the "beginnings of marks would have more emphasis when pronounced aurally" and whilst this principle could not be applied in a "blanket fashion", she found that the Applicant Mark and Appellant's marks were indeed aurally distinct despite their similar endings. I find no reason to disagree with this finding for reasons already cited above.

Conceptual similarity

35 As a number of traders in the fashion industry use the word Valentino, the PAR rejected the argument that the Respondent had created a mark that was conceptually similar to the Appellant's Relevant Marks. In fact, the PAR identified (at [52] of her GD) seven traders which trade marks were registered in class 18 and "constituted wholly or in part of the word 'Valentino'". These trade marks included a 'Mario Valentino', an 'Orlandi Valentino' and a 'Valentino', the latter belonging to one Mario Valentino S.p.A., a company unrelated to the Appellant. This was also a relevant consideration on the issue of the likelihood of confusion (at [78] of her GD).

36 Given the various trade marks on the register under class 18 which comprise of the word 'Valentino' (at the time of the opposition hearing there were 14 in total), I find it unconvincing that simply by virtue of the word 'Valentino' in the Application Mark, there is present conceptual similarity and even confusion. The Appellant certainly does not have a monopoly over the word 'Valentino'.

Similarity of the goods

37 Section 8(2) TMA requires the goods or services to be identical with or similar to those of the complainant. The two Relevant Marks being compared were specifically in relation to “umbrellas, parasols and walking sticks” and “umbrellas”. These were goods markedly different from the “leather goods” for which the Application Mark was registered for.

38 The learned PAR found that the specification of the goods pertaining to the Application Mark was distinct from that of the Relevant Marks (at [79] of her GD). I would adopt the same position as the PAR.

Likelihood of confusion

39 As various traders in the fashion industry were already using the word Valentino, which was no longer distinctive solely of the goods of the Appellant in class 18 or for goods in the fashion industry, I agreed with the PAR that under such circumstances, the average consumer is likely to distinguish the marks by their differing features, and in this case, the significant differences would be the additional word “Emilio”, the line separating the mark and the different V device. These significant differences would render it unlikely for confusion on the part of members of the public to arise. The PAR further observed at [85] of her GD:

Similarly, the channels of distribution, the prices and the target markets in which the Opponents and Applicants trade are different. The Opponents’ goods are sold at high prices in their exclusive, upmarket luxury boutique, whereas goods bearing the Application Mark are sold in the mid range John Little department stores at much lower prices. Exhibit NYT-7 shows that the Opponents’ leather belt with only the V device mark, costs S\$300 whereas the Applicants’ belt costs S\$19. I am of the view that whilst goods bearing the Opponents’ Valentino Marks have the upper income classes as their primary target market, goods bearing the Application Mark have the lower and middle income classes as their primary target market.

Registration in class 25

40 The Appellant submitted in this appeal that the comparison between its goods and those bearing the Application Mark should not be confined to only those goods which bear its Valentino marks registered in class 18, but also extend to its goods which are covered by the Appellant’s registration of its Valentino Marks in class 25 (which covers articles of clothing). This is because, the Appellant alleged, “there is no reason why leather clothing would not fall to be considered as goods which are identical or similar to the “leather goods” in Class 18 for which the Application Mark is to be registered”. It argued that “nothing in the description of “leather goods” in class 18...prevent[s] leather clothing such as leather jackets, leather trousers and leather skirts from also being considered as leather goods.” Consequently, the Appellant averred that there was a similarity between the Appellant’s goods of Valentino Marks registered in both classes 18 and 25, and the Respondent’s goods of the Application Mark registered in class 18. To recapitulate, class 18 covers a myriad of leather goods and it is noted that the Respondent sells a variety of goods including belts and men’s clothing bearing the Application Mark. Class 25 on the other hand, covers “clothing, footwear, headgear”.

41 In its written submissions, the Appellant highlighted several Valentino Marks registered in class 25 for its argument that the comparison of goods should include its goods bearing the Valentino Marks in class 25. These Valentino Marks were T96/11523B, T00/21731D, T89/07703G, T89/07704E

and T96/08713A.

42 Even if I accept this argument of the Appellant's that I should compare the goods registered in a different class from that of the Respondent's, I find that while these Valentino marks in Class 25 may possibly encompass "leather clothing" as averred by the Appellant, the aforementioned Valentino Marks are dissimilar to the Application Mark. There is no need to rehash my reasons here. The said Valentino Marks are reproduced below:

[LawNet Admin Note: Image 13 to Image 17 are viewable only by [LawNet](#) subscribers via the PDF in the Case View Tools.]

43 I reiterate that given the visual, aural and conceptual dissimilarities between the Application Mark and the Relevant Marks, there is no need to even entertain the inquiry as to whether there is any likelihood of confusion. Even if I were to compare the goods bearing other Valentino Marks in class 25 with the goods of the Application Mark and find some semblance of similarity between the goods, these other Valentino Marks are *dissimilar* to the Application Mark. In the premises, I find that there cannot be ensuing confusion and s 8(2) TMA is simply not satisfied.

44 It is perhaps apt to conclude my findings on the s 8(2) issue with the remarks of Laddie J in *Wagamama Ltd v City Centre Restaurants Plc* [1995] FSR 713 ("*Wagamama*") at 752:

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.*

[emphasis in the original]

45 I hasten to add that I do not think that the present case is one in which a judge's personal idiosyncratic pronunciation or views would greatly influence his findings as to whether the Application Mark and the Appellant's Valentino Marks are similar, for the "visual and phonetic impact" and conceptual identity of the Application Mark are markedly distinct from the Appellant's Relevant Marks and/or its other Valentino Marks.

The s 7(6) issue of bad faith

46 As regards the s 7(6) TMA claim of bad faith, the Appellant's arguments were manifold. Before I examine the various allegations of bad faith made by the Appellant, it is instructive to examine what bad faith in the context of trade marks involves.

47 In *Nautical Concept Pte Ltd v Jeffery Mark Richard and Another* [2007] 1 SLR 1071 ("*Nautical Concept*"), the Court observed at [5] of its judgment that to claim that a trade mark was applied for in bad faith was a "serious" allegation to make. It cited a passage from *Royal Enfield Trade Marks* [2002] RPC 508, where at [31] of the latter the court averred that:

A plea of fraud should not be lightly made ... and if made should be *distinctly alleged and distinctly proved*. It is not permissible to leave fraud to be inferred from the facts (see *Davy v. Garrett* [1878] 7 Ch.D. 473 at 489). In my judgment precisely the same considerations apply to an allegation of ... bad faith made under section 3(6) [of the UK Trade Marks Act 1994]. *It should not be made unless it can be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will rarely be possible by a process of inference.*

[emphasis added]

48 At [16] of *Nautical Concept*, the court noted that the above-cited passage was approved by the Court of Appeal in *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR 177 at [78] of that judgment. It then went on to quote another passage from *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 where at 379, Lindsay J expounded upon the concept of bad faith:

Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined. Parliament has wisely not attempted to explain in detail what is or is not bad faith in this context; how far a dealing must so fall-short as to amount to bad faith is a matter best left to be adjudged not by some paraphrase by the courts (which leads to the danger of the courts then construing not the Act but the paraphrase) but by reference to the words of the Act and upon a regard to all material surrounding circumstances.

Part of this passage was also cited by our Court of Appeal at [48] of *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR 1073 wherein the Court of Appeal observed at [48] that:

The appropriate test for bad faith under s 7(6) of the TMA was first reviewed by our courts in *Rothmans of Pall Mall Limited v Maycolson International Ltd* [2006] 2 SLR 551 ("*Maycolson*") where Lai Siu Chiu J endorsed, at 561, [32], Lindsay J's succinct formulation of the concept of bad faith in *Gromax Plasticulture Ltd v Don & Low Nonwovens Ltd* [1999] RPC 367 ("*Gromax Plasticulture*") at 379:

Plainly it includes dishonesty and, as I would hold, includes also some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area [of trade] being examined.

It would be fair to say that the term "bad faith" embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve "no breach of any duty, obligation, prohibition or requirement that is legally binding" upon the registrant of the trade mark: see *Demon Ale Trade Mark* [2000] RPC 345 at 356; and Tan Tee Jim SC in *Law of Trade Marks and Passing Off in Singapore*, (Sweet & Maxwell, 2nd Ed, 2005) ("*Tan Tee Jim*") at p 129.

49 What then is the bad faith alleged by the Appellant in this case? As mentioned earlier, the PAR had found that there was insufficient evidence to infer bad faith. She did not think that the Respondent had hijacked the Appellant's Valentino marks simply because the Application Mark

contained the name 'Valentino' and I find no reason to disagree with this finding.

50 Another basis relied upon by the Appellant for a finding of bad faith was an allegation that it was one HSH who owned the goodwill and reputation in the Application Mark and not the Respondent so that the latter had no right to register the Application Mark. As the PAR rightly ruled, the burden rests upon the Appellant to prove bad faith. Accordingly, this meant that the Appellant should have adduced evidence that HSH was the proprietor of the Application Mark. Instead, the Appellant only relied on HSH's affidavit that he (HSH himself) had the right to distribute and manufacture Emilio Valentino products from Geveni, the Taiwanese distributor and manufacturer of Emilio Valentino products.

51 By way of background gleaned from the same affidavit of HSH that was relied on by the Appellant and the PAR herself, HSH had stated that he was the sole proprietor of Impressions, a clothing business that was registered in 2001. The genesis of HSH's business dealings with the Respondent began when HSH met one Jack Lee whilst in China. Upon learning that HSH manufactured apparels and undergarments in China, Jack Lee invited HSH to help his company, Geveni International Co. Ltd, a Taiwanese company, to manufacture the EMILIO VALENTINO range of apparel. As proof of his business dealings with the Respondent, Jack Lee produced a Letter of Authorisation from the Respondent which stated that Geveni International ('Geveni') had the rights to manufacture, market and distribute goods bearing the EMILIO VALENTINO logo, amongst other things, in several countries including Singapore. [\[note: 1\]](#)

52 Eventually, Impressions obtained a Certificate of Authorisation from Geveni which authorised Impressions to manufacture, distribute and market the EMILIO VALENTINO range of apparel.

53 Then in 2004, a complaint was filed by the Appellant's representative in Singapore that HSH/Impressions had committed offences under s 49 of the TMA. HSH subsequently filed an affidavit to defend himself and it was in this affidavit that HSH spoke of owning the goodwill and reputation of the Application Mark in Singapore. The Appellant was quick to latch onto this and other similar statements made by HSH to bolster its claim in the opposition proceedings that the Respondent did not own the Application Mark. Nonetheless, the PAR in her GD iterated that HSH's claim of ownership of the goodwill and reputation of the Application Mark in Singapore was made in the context of a distribution and manufacturing agreement and that the Certificates of Authorisation were evidence that HSH/Impression had the right to manufacture/distribute the Respondent's goods from Geveni, who itself was authorised by the Respondent to sell the goods.

54 I am of the view that the PAR was amply justified to arrive at the conclusion that she did. HSH's averments must be seen in their broader context; in fact, the manner in which the Appellant had quoted HSH's remarks in its submissions seemed to ignore this. As the sole proprietor of Impressions, HSH alleged in his affidavit (at [7]) that the Respondent had pursuant, to his request, furnished him with a Certificate of Authorisation to be the distribution and manufacturing agent for goods bearing the 'EMILIO VALENTINO' mark in Singapore. Hence, since 2000 (see [9] of HSH's affidavit), HSH has been distributing EMILIO VALENTINO Apparel in Singapore. Thus, when HSH spoke of having "built up a considerable amount of goodwill around the EMILIO VALENTINO trade mark in Singapore", I do not think that he was trying to claim ownership of the EMILIO VALENTINO/Application Mark or its reputation and goodwill, but rather, to defend allegations that he had, *inter alia*, employed a false trade description. Indeed, it must be borne in mind that HSH had made this affidavit to quash certain search warrants that had been issued pursuant to s 62(a) of the Criminal Procedure Code (Cap 68, 1985 Rev Ed) which refers to ss 4, 5 and 6 of the Consumer Protection (Trade Descriptions and Safety Requirements) Act (Cap 53, 1985 Rev Ed) whereby the latter provisions allude to false trade description amongst other things.

55 In fact, it is pertinent that HSH himself referred at [12] of his affidavit to the Respondent and Geveni International as Impressions' "licensors", Impressions of course being HSH's sole proprietorship. At [15] of the said affidavit, HSH also highlighted that:

The EMILIO VALENTINO trademark was applied to products for which we are licensed by and authorized by the licensors Geveni International and [the Respondent] to manufacture. Accordingly I deny that the EMILIO VALENTINO trademark was falsely applied to Valentino [the Appellant's products].

56 I thus disagree with the Appellant's assertion that HSH had "the better right to claim proprietorship of the Application Mark than the Respondent because of [HSH's] first user in Singapore."[\[note: 2\]](#) For the same reasons stated above, I am disinclined towards the Appellant's assertion that there was no trade mark licensor-licensee relationship between the Respondent and HSH.

57 The Appellant further argued that there was no evidence of control or supervision by the Respondent over HSH, which was inconsistent with a licensor-licensee relationship. It disputed the PAR's reliance on a Legal Contract between the Respondent and HSH, submitting that the PAR had erred in concluding that there were indeed controls imposed on HSH by Geveni "by merely looking at the terms of the [contract]. There was no evidence that the terms were enforced or complied with. The Respondent should have called Geveni to give evidence of its control over the use of the [Application Mark] by [HSH]."[\[note: 3\]](#)

58 The relevant documents demonstrate that Geveni was to exercise control over HSH, and Geveni in turn was supervised by the Respondent. These facts are borne out in the "Legal Contract" between HSH and Geveni International, and the Letter of Authorisation and Certificate of Authorisation.

59 Evidence of control by Geveni over Impressions/HSH is found in the first term of the "Legal Contract" which provides that Impressions/HSH has to obtain the approval of Geveni to use the Application Mark before the products are distributed to the markets. The Respondent's control/supervision over Geveni is in turn evinced in the Letter of Authorisation[\[note: 4\]](#) from the Respondent to Geveni. The said Letter provided that Geveni was to be the Respondent's "exclusive agent in Asia markets" and had the "full right to use [the Application Mark]'s original logo...". It continued at the bottom of the Letter that:

Meanwhile, [the Respondent] will provide the necessary Brand Identity System which will include:

1. Exterior design, interior design, display design, packaging design and Advertising design
2. Brand name promotion, public relation and advertising assistance
3. Establishing chain stores manuals
4. Keep in contact with international conference in brand name promotion

60 By virtue of the aforementioned agreements, I found that there was at least an *intention* for the Respondent to retain ultimate control over the use of the Application Mark albeit vis-à-vis Geveni and this notion is compatible with HSH's affidavit statements that he was "licensed" by Geveni to use the Application Mark. In fact, if the Appellant was asserting that there had never been control intended to be exerted by the Respondent over the Application Mark, this ultimately means that the

written agreements entered into by Geveni, HSH/Impressions and the Respondent were shams. In my view, the Appellant had not adduced sufficient evidence to show that these arrangements were a facade, and that in fact there was no such control by the Respondent over its Application Mark. I thus rejected the argument that the PAR had erred in her finding on this issue and on the basis of the available evidence before me, I concluded that ownership of the Application Mark did indeed repose in the Respondent. I noted too, that the PAR at [113] of her GD had observed that "by the date of the hearing of the opposition, there was no other person (like HSH/Impressions) claiming to be the proprietor of the mark Emilio Valentino...".

61 Incidentally, the Application Mark "EMILIO VALENTINO" has been found to share the name of an Italian individual known as Mr Emilio Valentino who is unrelated to the Respondent. Mr Emilio Valentino had in fact applied for trade mark registration of a trade mark *identical* to the Application Mark in Italy, this trade mark to cover goods in Class 18. Proceedings in Italy were instituted by the Appellant against Mr Emilio Valentino to impugn the latter's trade mark and the Appellant eventually obtained an interim injunction against Mr Emilio Valentino.

62 In the present appeal, the Appellant asserts that the Respondent has not met the requirements of Rule 14 of the Trade Marks Rules which expressly provides that if the mark to be applied for consists of the name of a living or recently dead person then the consent of such a person or of his legal representatives will be required.[\[note: 5\]](#) Evidence of such consent, it argues, has not been furnished by the Respondent, which fortifies its belief that the Application Mark was applied for in bad faith, being copied from Mr Emilio Valentino.[\[note: 6\]](#)

63 It is perhaps helpful to set out Rule 14 of the said Trade Mark Rules:

- 14.—(1) Where the name or representation of any person appears on a trade mark which is the subject of an application for registration, the Registrar *may*, before proceeding to register the mark, require the applicant to furnish the Registrar with the consent of the person or, in the case of a person recently dead, of his legal representatives.
- (2) Where the consent referred to in paragraph (1) is not furnished within the time specified by the Registrar and the applicant fails to satisfy the Registrar that it is impossible or impracticable in the circumstances of the case to obtain the consent, the Registrar shall refuse to register the mark.

[emphasis in the original]

64 As can be seen, the discretion rests with the Registrar of Trade Marks as to whether an applicant should be required to furnish evidence of consent of the person whose name appears in a trade mark. What is worth noting is that the PAR in her discretion did not require such consent to be furnished despite having been shown evidence that there was a trade mark in Italy identical to the Application Mark that was being sought to be registered by one Mr Emilio Valentino[\[note: 7\]](#). As the PAR never requested for such evidence of consent to be shown to her, the fact that the Respondent has not produced evidence of consent to use Mr Emilio Valentino's name cannot be prejudicial to the Respondent, much less lead to an inference of bad faith.

65 I do not propose to speculate why the PAR did not ask for such consent to be produced before

her. However, given that the names Emilio and Valentino are common Italian names and that the Application Mark (which is identical to Mr Emilio Valentino's trade mark) comprises of a simple and basic design, I would not rule out the plausibility that it is indeed a coincidence that the two marks are identical.

66 Of course, the Appellant would vehemently refute that the identity of the above said marks is a mere happenstance and it has indeed done so, alleging that the Respondent had actually copied Mr Emilio Valentino's mark.

67 The Respondent had, through one Mr Ng Yeo Tiong, asserted at the cross-examination before the PAR that one Ms Diana Taylor was responsible for the creation of the Application Mark, though it had not subsequently furnished further supporting evidence of such independent creation. Nonetheless, it bears reiterating that:

An allegation of bad faith is a serious one, and it must be fully and properly pleaded and should not be upheld unless it is distinctly proved and this will *rarely be possible by a process of inference*.

[emphasis added]

(*Law of Intellectual Property of Singapore*, Ng-Loy Wee Loon (Sweet & Maxwell Asia, 2008) at p 270, [21.4.1])

68 Simply because the Respondent had not called Ms Diana Taylor to testify to the originality of her design nor produced further evidence that it did not copy Mr Emilio Valentino's mark or suggested that the identity between the Application Mark and Mr Emilio Valentino's mark is a mere coincidence does not mean that it is guilty of bad faith. The Appellant nonetheless suggests that an adverse inference should be drawn against the Respondent according to s 116(g) of the Evidence Act (Cap 97, 1997 Rev Ed) ("EA"). The said provision reads:

116. The court may presume the existence of any fact which it thinks likely to have happened, regard being had to the common course of natural events, human conduct, and public and private business, in their relation to the facts of the particular case...

The court may presume —

....

(g) that evidence which could be and is not produced would if produced be unfavourable to the person who withholds it;

69 I have some difficulty with this proposition of the Appellant's. With regard to s 116(g) EA, it is instructive to draw from what the court in *Public Prosecutor v Nurashikin Binte Ahmad Borhan* [2003] 1 SLR 52 had said at [\[24\]](#):

As apparent from the wording of the provision, it allows, but does not compel, the court to draw adverse inferences even if available evidence is not produced in court. In fact, the general rule is that the burden lies on the Prosecution to prove its case and no adverse inference can be drawn against the Defence if it chooses not to call any witness: see *Goh Ah Yew v PP* [1949] 1 MLJ 150 and *Abu Bakar v R* [1963] 1 MLJ 288. There is however an important qualification to this general rule: if the Prosecution has made out a complete case against the defendant and yet the defence has failed to call a material witness when calling such a witness is the only way to rebut the Prosecution's case, illustration (g) to s 116 of the Evidence Act then allows the court to draw an adverse inference against the defendant: *Choo Chang Teik v PP* [1991] 3 MLJ 423 and *Mohamed Abdullah s/o Abdul Razak v PP* [2000] 2 SLR 789. This is based on the commonsense notion that if the only way for the Defence to rebut the Prosecution's case is to call a particular witness, then her failure to do so naturally raises the inference that even that witness's evidence will be unfavourable to her.

70 As is evident from the above passage which I note is not in the context of a civil case but a criminal case, nonetheless, a s 116(g) adverse inference is not to be lightly drawn especially when the issue is one of whether or not there was bad faith. It is only when the party who has the burden of proving the wrongdoing has made out a "complete case" or perhaps a very compelling case, that an adverse inference may be drawn against an alleged wrongdoer who has failed to produce evidence which could be produced to rebut the case made out by the opponent. In the present case, all that the Appellant has demonstrated is that there is a trademark application for registration of an identical trade mark in Italy, by one Mr Emilio Valentino. Given that both Mr Emilio Valentino and the Respondent do not know each other and that the Respondent had not provided any credible evidence as to how it had derived the Application Mark, the Appellant argued that the "inescapable inference" was that the Respondent had copied the Application Mark from Mr Emilio Valentino. It invoked the authorities of *In the Matter of Trade Mark Application 2011973 Team Lotus* ("*Team Lotus*") and *Application by Brown Shoe Company Inc.* [1959] R.P.C.29 ("*Brown Shoe*") for its assertion. I have found that of the two cases, *Team Lotus* is the more relevant case and my discussion thus focuses on *Team Lotus*.

71 The furthest that one *may* go in the present case, even though I do not accept this proposition unequivocally, is that copying may have taken place and nothing else. Indeed, the Appellant has not proven the sting of its accusation that it was in fact the Respondent who copied Mr Emilio Valentino's trade mark, and not the other way around. There is no evidence for example, that Mr Emilio Valentino has been using his mark prior to the Respondent.

72 The case of *Team Lotus* was cited in support of the Appellant's argument that the doctrine of *res ipsa loquitur* should be invoked. As I have already mentioned, the most damaging inference that one might make given the identity between the Application Mark and Mr Emilio Valentino's mark is that one of the parties had copied from the other; it is thus for the Appellant to prove that the Respondent had so copied from Mr Emilio Valentino, which it has not done so. Nor does the *Team Lotus* case lend any assistance to the Appellant's argument as I find that the trade marks in that case consisted of designs which were more complex than the Application Mark. Furthermore, in that case, the Lotus and Team Lotus trademarks, the latter which had been alleged to have copied the former, had been trade marks used in respect of cars and/or related services, including advertising space. As far as I am aware, "Lotus" is an uncommon and very distinctive name for cars and/or related services, and this militates in favour of a finding that some copying had taken place. "Valentino", on the other hand, is a fairly common name for clothing and class 18 goods. I thus have some reservations applying that case to the present facts.

73 As for the case of *Brown Shoe*, the Respondent's word mark "Naturalizet" was found to have been copied from the Appellant's word mark "Naturalizer". Also, considerable weight had been placed on the decision of a representative of the Respondent to withdraw his statutory declaration after the Appellant had decided to cross-examine him. The facts in *Brown Shoe* were thus very different from the present appeal and I would thus, for the purposes of this appeal, distance myself from that decision.

74 Suffice to say, I am not satisfied that the Appellant has proven that copying has taken place, much less that it was the Respondent who had in fact copied from Mr Emilio Valentino.

Conclusion

75 Having found (a) that the Applicant Mark and the Appellant's Valentino Marks are dissimilar to one another so that there is no likelihood of confusion; and (b) that the Appellant has failed to discharge its burden of proving bad faith on the Respondent's part, I dismissed the appeal with costs fixed at \$5,000.

[\[note: 1\]](#) ABOD 1419

[\[note: 2\]](#) [88] of Appellant's Written Submissions

[\[note: 3\]](#) [101]-[102] App. Written submissions

[\[note: 4\]](#) ABOD, p1430

[\[note: 5\]](#) [42] of Appellant's written submissions.

[\[note: 6\]](#) Ibid., [\[43\]](#).

[\[note: 7\]](#) p 14 Appellant's written submissions

Copyright © Government of Singapore.

Image 1



Image 2



T00/21726H (Class 18)

Image 3



T96/11520H (Class 18)

T96/11523B (Class 25)

Image 4



T00/21730 (Class 18)

T00/21731D (Class 25)

Image 5



T99/04403D (Class 18)

T89/07703G (Class 25)

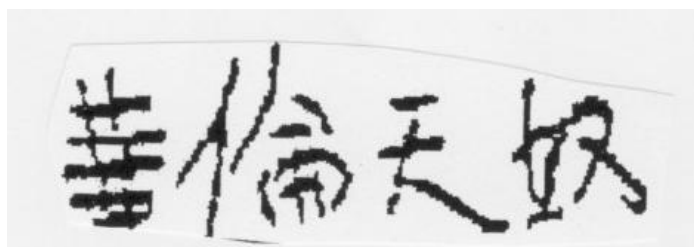
Image 6



T89/07702I (Class 18)

T89/07704E (Class 25)

Image 7



T96/08712C (Class 18)

T96/08713A (Class 25)

Image 8



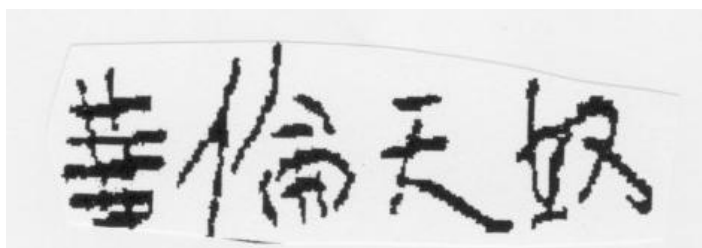
T00/21726H

Image 9



T99/04403D

Image 10



T96/08712C

Image 11



T00/21730F

Image 12



T96/11520H

Image 13



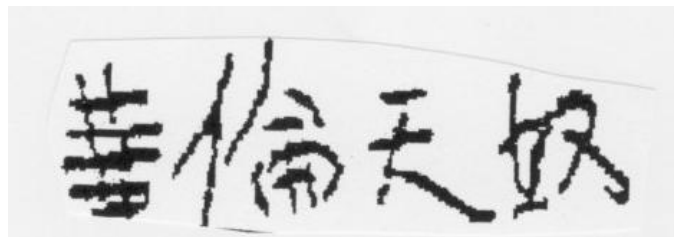
T96/11523B

Image 14



T00/21731D

Image 15



T96/08731A

Image 16



T89/07703G

Image 17



T89/07704E