

Another Country

ABCM Corp.
(Manufacturer & Seller of
Construction Machineries)

⑥ Incorporation

⑦ Import of CM

YBCM (Def)
(Wholly Owned
Subsidiary)

① The Exclusive
Distributorship
Agreement

② Import of
Construction
Machineries ("CM")

⑧ Sales & Lease
of CM

Def's Mark1: **ABCM**

Def's Mark2: **ABCM + Images
of CM**

Def's Mark3: **The Word which
is expressed "ABCM" in the
Language of your Country**

⑤ Termination

⑨ Lawsuit

XBC (Plf)
(The Former Sole
Distributor)

ABCM
(Plf's Trademark)

The IP Authority
of your Country

③ Exclusive Distribution of CM

④ Registration of the Trademark

The Designated Goods

"Construction Machineries etc."

Your Country

Q1. What kind of claims and allegations might XBC (Plaintiff) raise regarding trademark infringement in your country?

A proprietor of a registered trade mark has the right to obtain relief under the Trade Marks Act (“TMA”) for infringement (s 26(2) TMA). Infringing acts are set out in s 27 TMA (s 26(3) TMA).

YBCM’s Mark	TMA Provision	Allegations that XBC (Plaintiff) can make	Remedies
Mark 1: “ABCM”	S 27(1) TMA: <ul style="list-style-type: none"> Identical marks Identical goods D uses his mark in the course of trade 	<ul style="list-style-type: none"> Use in the course of trade: YBCM imports, sells and leases construction machineries bearing Mark 1 Mark identity: Having regard to the very little stylisation of Mark 1, it is arguable that it is identical to XBC’s registered trademark 	<ol style="list-style-type: none"> Injunction Damages Account of profits Statutory damages (if counterfeit TM) Order for offending sign to be removed from infringing goods
Mark 2: “ABCM” and images of construction machinery	S 27(2)(b) TMA: <ul style="list-style-type: none"> Similar marks Identical goods D uses his mark in the course of trade Likelihood of confusion 	<ul style="list-style-type: none"> Mark similarity: XBC’s registered trademark and YBCM’s Mark 2 are visually, aurally and conceptually similar Likelihood of confusion: Marks are similar to a high degree 	<ol style="list-style-type: none"> Order for destruction of infringing goods

Note: YBCM’s Mark 3 (the word which is expressed “ABCM” in the language of your country) is not analysed because in Singapore, “ABCM” in Malay is still “ABCM”. There is no equivalent of the letters “A”, “B”, “C” and “M” in Mandarin.

Q2. What kind of defenses and allegations might YBCM (Defendant) raise regarding trademark infringement in your country?

Defense	Examples of allegations that YBCM (Defendant) can make	
XBC trademark registration is invalid	Ground 1: Bad faith application (ss 23(1) r/w 7(6) TMA)	XBC's collateral motive for registration: XBC wanted to prevent ABCM Corp from selling its machineries in Singapore, in case XBC is not maintained as ABCM Corp's sole distributor.
	Ground 2: At the date of the trade mark application, the use of XBC's trade mark is liable to be prevented under tort of passing off (ss 23(3)(b) r/w 8(7) TMA)	<ul style="list-style-type: none"> • ABCM Corp has goodwill in Singapore: sales to XBC <ul style="list-style-type: none"> ○ Even though sales in Singapore stopped temporarily, there is still residual goodwill in Singapore because there is no intention of abandoning business in Singapore altogether • The relevant public exclusively associates the mark "ABCM" with construction machineries from ABCM. Evidence required: <ul style="list-style-type: none"> ○ Sales volume to XBC prior to XBC's trademark application ○ Promotion and advertising figures ○ Proof that when ABCM supplied machineries to XBC, the machineries bore the "ABCM" mark • If XBC's trademark is applied to XBC's own goods (instead of ABCM's goods), there will be confusion because XBC's trademark is identical to ABCM's Mark 1 and similar to ABCM's Mark 2.

Q3. How trademark infringement is judged in Singapore

I will set out how trademark infringement is assessed under s 27(2) TMA. There are **three cumulative elements** that must be satisfied to prove infringement under s 27(2) TMA. A **step-by-step approach** is taken.

Elements	Rules
(1) Mark similarity	<ul style="list-style-type: none">• A mark-for-mark comparison without consideration of external added features• If not identical, the relevant factors for ascertaining mark similarity are:<ul style="list-style-type: none">○ Visual, aural and conceptual similarity○ Dominant features of the marks to an average consumer with imperfect recollection○ The degree of technical distinctiveness of the trade mark
(2) Goods similarity	<ul style="list-style-type: none">• Comparison is between the goods in respect of which the trade mark is registered for and the alleged infringing goods• Relevant factors: (a) whether goods are in the same specification within a class (International Classification of Goods and Services), (b) uses and users of the goods, (c) physical nature of the goods, (d) trade channels, and (e) extent to which the goods are competitive
(3) Confusion	<ul style="list-style-type: none">• Permissible factors: (a) impact of mark-similarity (<i>eg</i>, degree of similarity) and (b) impact of goods-similarity (<i>eg</i>, level of care in purchasing) on consumer perception as to trade source.• Impermissible factors: factors extraneous to mark and goods similarity (<i>eg</i> pricing differential, disclaimer notices like “my goods are not from XBC”, difference in packaging)

On the facts, it is likely that YBCM’s Mark 2 infringed XBC’s registered trademark under s 27(2) TMA

- Mark similarity: similarity in the distinctive component (*ie*, “ABCM”) of both marks
 - The presence of the device does not detract from the similarity of the distinctive word component of both marks
- Confusion: High likelihood of confusion because of the use of “ABCM” in both marks

Q4. How are infringement and damages theories asserted, proven, and refuted in the course of litigation?

The assessment of (1) infringement and (2) damages, can be bifurcated into two trials.

- There will be cost savings for bifurcation
 - a. The trial can concentrate on issues of liability only
 - b. Evidence and discovery relating to quantum of damages or an account of profits will come at the second stage, if liability is found.

Asserting theories	<p>Pleadings contain factual assertions, along with particulars</p> <ul style="list-style-type: none"> • Plaintiff’s Statement of Claim: <i>eg</i>, state how and when the defendant infringed the trademark, particularise how the quantum of damages is arrived at • Defendant’s Defence and Counterclaim: <i>eg</i>, “there is no confusion caused because the marks are highly dissimilar, the goods are highly dissimilar, and consumers will exercise greater care in making the purchase given the nature of the goods” • Plaintiff’s Reply: <i>eg</i>, “there is confusion because of the high degree of mark similarity”
Proving theories	<p>Evidence to prove the factual assertions on a balance of probabilities</p> <ul style="list-style-type: none"> • Affidavits of evidence-in-chief • Trial: cross-examination, re-examination • Market surveys <i>with properly crafted questions and adequate sample size</i> to show confusion in the relevant public, and distinctiveness of the mark
Refuting theories	<p>1. Disproving the counterparty’s facts during cross-examination at trial</p> <p>2. In closing submissions:</p> <ul style="list-style-type: none"> • Identify gaps in the counterparty’s evidence and argue how these lead to the counterparty’s failure to prove certain facts. • Where facts are proven, parties can argue that more weight ought to be placed on certain proven facts to tip the balance in favour of one theory as opposed to the other.

Q5. How damages for trademark infringement are calculated in Singapore

1. General Damages

The trademark proprietor bears the **burden of proving his loss on a balance of probabilities**

Compensatory principle: The amount of damages seeks to put the trade mark proprietor in the same position it would have been if the wrong(s) had not been committed

- Example: Where the infringement diverted sales away from the trademark proprietor to the infringer, the measure of damages would be the profit that would have been realised by the trademark proprietor had those sales been made by him instead

2. Statutory Damages (only for counterfeit trade mark)

The trademark proprietor does not need to prove his **actual loss on a balance of probabilities**, and only has to adduce evidence to assist the court in assessing the stipulated guiding factors in s 31(6) TMA (see below).

Statutory damages are also awarded on a compensatory basis, taking into account these stipulated guiding factors (s 31(6) TMA):

- the flagrancy of the infringement
- any loss plaintiff suffered and any benefit accrued to the defendant by reason of the infringement
- need to deter other similar instances of infringement
- All other relevant matters

Limit on quantum of statutory damages: (s 31(5)(c) TMA)

- Not exceeding \$100,000 for each type of goods on which the counterfeit trade mark has been used
- Not exceeding aggregate \$1,000,000, unless plaintiff proves actual loss exceeds \$1,000,000.

Q6. If the Plaintiff registered the Plaintiff's Trademark but has not actually been used for the sale of construction machinery, would the decision in Q1 to Q5 be affected?

XBC (Plaintiff) could still argue that there is infringement by the use of YBCM's (Defendant's) Mark 1 and Mark 2. However, **YBCM can raise two additional points in its defense.**

(a) XBC's trademark should be revoked for non-use for more than 5 years after registration (s 22(1)(a) TMA)

- By default, revocation takes effect from the date on which the application for revocation is made. To evade infringement liability altogether, the revocation needs to be backdated to a point in time *prior* to the commencement of its allegedly infringing act.
- The court has the power to backdate, but it cannot backdate an order for non-use revocation to a day falling within the first 5 years from the date of completion of the registration procedure.
- On the facts, more evidence is required as to: (a) when exactly the registration procedure was completed, and (b) when YBCM's first alleged infringing act took place.

(b) Even if there is infringement by YBCM, XBC suffered no damage

- Damages are awarded on a compensatory basis. Since XBC did not use the registered mark on construction machinery in the course of trade, it is unlikely that XBC suffered losses as a result of YBCM's infringement (if any).

Q7. If this case were filed in Singapore, what final judgment would you expect by taking into account the Defendant's defenses available?

Likely outcome: No infringement by YBCM

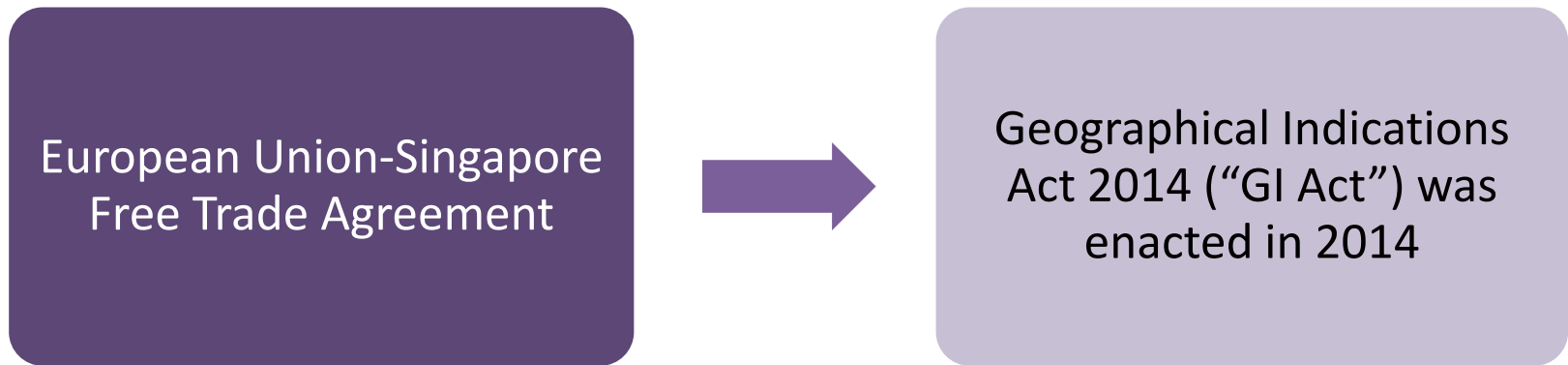
Main reason: XBC's trademark would likely be invalidated because it was registered in bad faith.

Bad faith could be inferred from two facts

Fact	Inference
XBC was ABCM Corp's distributor.	XBC clearly knows that ABCM Corp uses the mark "ABCM" on construction machineries. Yet, XBC went ahead to register the "ABCM" mark in relation to construction machineries, without ABCM Corp's consent.
Registration was made while XBC and ABCM Corp were still negotiating the maintenance of the distributorship agreement.	XBC likely registered the trademark to prevent ABCM Corp from selling its machineries in Singapore, in case negotiations fail and XBC is no longer ABCM Corp's sole distributor.

Effect of invalidation: Unlike revocation, invalidation would take effect from the date of XBC's trade mark application. As XBC's trade mark application clearly predated YBCM's acts of importing, selling and leasing in Singapore, YBCM will not be liable for infringement.

Q8. Please explain the enactment or amendment of any trademark laws in your country within the last five (5) years in accordance with treaty obligations.



The partial commencement of the GI Act in 2019 introduced a GI registration system.

- In 2020, the GI Act was amended to improve the administration of the GI Registry, and improve the resolution of disputes as to the scope of rights conferred in a registered GI.