

Case Summary: Charlotte Pipe and Foundry Company v YITAI (SHANGHAI) PLASTIC CO., LTD. [2020] SGIPOS 14

Overview:

In this case of two companies in the piping industry, the IP Adjudicator made clear the importance of providing sufficient and relevant evidence to support the arguments made for trade mark opposition matters. Arguments that are not backed up with relevant evidence are leaky at best, and even large corporations cannot let their reputation speak for themselves when making a claim that they are well known.

Essentially, to make sure that their arguments do not end up piped to the drains, practitioners should ensure that the evidence they use:

- Relates to the use or recognition of the mark(s) at the **relevant date**;
- Clearly relates to the **specific mark(s) relied on**; and
- Relates to the to use or recognition of the mark(s) **in Singapore**.

Case facts:

YITAI (SHANGHAI) PLASTIC CO., LTD. (the “**Applicant**”) is a company based in Shanghai, China that is in the business of manufacturing and supplying products such as plastic valves, fittings, production, design and development of industrial piping systems. The Applicant applied for a trade mark in Classes 17, 19 and 20 for their piping products. The trade mark application was for the mark “**CHARLOTTE**” (the “**Application Mark**”).

Charlotte Pipe and Foundry Company (the “**Opponent**”) is a company headquartered in Charlotte, North Carolina, USA that is in the business of manufacturing pipes and fittings for plumbing and industrial systems. The company was founded back in 1901, and its products are sold and distributed worldwide to Latin America, the Middle East, Oceania and Asia, including Singapore. The Opponent had registered the trade mark “ CHARLOTTE PIPE ” in Class 06 designating cast iron pipes and fittings therefor (the “**Opponent’s Registered Mark**”).

The Opponent also asserted that it was the common law owner of various related trade marks that were unregistered in Singapore, including the following marks covering Class 6 (Cast iron pipes and fittings) and Class 17 (Plastic pipes and fittings) (the “**Opponent’s Unregistered Marks**”):

MARK
CHARLOTTE PIPE
CHARLOTTE
CHARLOTTE PIPE AND FOUNDRY COMPANY

Grounds of Opposition:

The Opponent opposed the registration of the Application Mark on the following grounds:

- (a) Under s 8(2)(b) of the Trade Marks Act (“**TMA**”), the Application Mark was similar to the earlier Opponent’s Registered Mark and for identical or similar goods and services;

- (b) Under s 8(4)(b)(i) read with s 8(4)(a) of the TMA, the Opponent's Unregistered Marks were well known in Singapore and use of the Application Mark would indicate a connection between the Applicant and the Opponent that is likely to damage the interests of the Opponent; and
- (c) Under s 8(7)(a) of the TMA, the use of the Application Mark was liable to be prevented by virtue of the law of passing off protecting the Opponent's Unregistered Marks.

Decision:

- (a) *s 8(2)(b) TMA: The Application Mark was similar to the earlier Opponent's Registered Mark and for identical or similar goods and services*

The Opponent initially seemed to rely on the Opponent's Registered Mark as an earlier trade mark in the Statutory Declarations it submitted, which claimed that the Opponent's Registered Mark was an earlier trade mark under s 2(1) of the TMA as it was entered on the Singapore's Trade Mark Register on 9 June 2017, earlier than the Application Mark which was pending since its publication date on 6 October 2017.

However, the date of application for the International Registration of the Application Mark where Singapore was designated was on 7 October 2015, and in this regard, the IP Adjudicator fully agreed with the Applicant's position that the relevant priority date for the Application Mark should be 7 October 2015. Since this was before the Opponent's Registered Mark was entered on the Trade Mark Register, the Opponent's Registered Mark was not an "earlier trade mark" under s 2(1) of the TMA. Accordingly, the ground of opposition under s 8(2)(b) TMA failed.

- (b) *s 8(4)(b)(i) read with s 8(4)(a) of the TMA: The Opponent's Unregistered Marks were well known in Singapore and use of the Application Mark would indicate a connection between the Applicant and the Opponent that is likely to damage the interests of the Opponent*

The Opponent also sought to rely on the Opponent's Unregistered Marks as being "well known trade marks" under s 2(1), read with ss 2(7) and 2(8) of the TMA. To do so, the Opponent would need to show that at least one of its Unregistered Marks was a well known trade mark as at 7 October 2015 (the "relevant date").

The Opponent asserted that the Opponent's Unregistered Marks have been continuously and extensively used. Although the Opponent tendered a significant amount of evidence purporting to support its position, the IP Adjudicator was of the opinion that the only evidence supporting the Opponent's argument that the Opponent's Unregistered Marks were well known were some sample invoices that they provided.

Generally, the rest of the Opponent's evidence was not useful in supporting its argument that the Opponent's Unregistered Marks were well known as:

- It was unclear which date the evidence related to and how it would show if the Opponent's Unregistered Marks were already well known in Singapore as of the relevant date;
- It was unclear which specific mark(s) the evidence related to; and
- It was unclear whether the evidence related to the use or recognition of the Opponent's Unregistered Marks in Singapore.

Since the only evidence that supported the Opponent's argument that its Unregistered Marks were well known were some sample invoices that showed some sales in Singapore of the products to which the

CHARLOTTE
Opponent's "PIPE AND FOUNDRY COMPANY" mark is applied to, the IP Adjudicator found that it was not established that the Opponent's Unregistered Marks were well known in Singapore. Accordingly, the ground of opposition under s 8(4)(b)(i) read with s 8(4)(a) of the TMA failed.

(c) s 8(7)(a) TMA: The use of the Application Mark was liable to be prevented by virtue of the law of passing off protecting the Opponent's Unregistered Marks

To succeed under this ground of opposition, the Opponent had to establish the classical trinity of passing off: goodwill, misrepresentation and damage.

The IP Adjudicator decided that the date on which the Opponent's goodwill is to be determined would be the date of the filing of the international registration of the Application Mark designating Singapore, i.e. 7 October 2015. This is because the Applicant failed to submit any conclusive evidence of use of the Application Mark in Singapore before that date. Relying on evidence of the Opponent's sales revenue in Singapore, the IP Adjudicator found that the Opponent had the requisite goodwill in Singapore.

Although there was no direct evidence of the Applicant's intention to misrepresent or deceive consumers, the lack of explanation from the Applicant on how they derived their mark and the similarity

between the Application Mark and the Opponent's "  " mark led to the inference that

the Applicant deliberately copied the Opponent's "  " mark. Hence, likelihood of confusion was established and the element of misrepresentation was found to be met.

The IP Adjudicator further found that the Applicant's deliberate misrepresentation made it indisputable that the Opponent's goodwill would be adversely affected through the diversion of custom given that the parties were competitors supplying the same line of products.

Hence, the Opponent succeeded on the ground of opposition under s 8(7)(a) TMA.

Comments:

(a) The importance of providing sufficient and relevant evidence

This decision highlights the importance of providing sufficient and relevant evidence to support the arguments made for trade mark opposition matters. While the Opponent argued that its marks were well known, their argument failed due to the lack of relevant evidence supporting their claim. This is a reminder that even large corporations cannot let their reputations speak for themselves without tendering relevant evidence supporting that they are indeed well known.

Essentially, to make sure that their arguments do not end up piped to the drains, practitioners should ensure that the evidence they use:

- Relates to the use or recognition of the mark(s) at the **relevant date;**
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(b) The importance of pleadings

A preliminary issue in this case was which marks the Opponent could rely on for its opposition. The Applicant objected to the Opponent's reliance on the Opponent's Unregistered Marks on the basis that it was not part of the Opponent's pleaded case. The Opponent made no reference to its Unregistered Marks in its Grounds of Opposition, and only first made such reference in the written submissions for the Opponent.

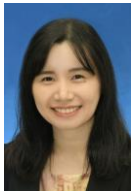
While the IP Adjudicator accepted the Opponent's arguments that relied on its Unregistered Marks as there was sufficient reference in its pleadings and the evidence tendered to the Opponent's common law rights in the Opponent's Unregistered Marks, this was done albeit begrudgingly. In doing so, the IP

Adjudicator noted that “there was much left to be desired in the manner of the Opponent’s pleadings as the Opponent did not then set out in full all the marks it clearly intended to rely on for its opposition”, and that “the Opponent’s case could probably have been better and more clearly pleaded”.

(c) Rethinking the approach to take: how many grounds should be pleaded in trade mark opposition cases?

In this case, the IP Adjudicator decided that the Opponent, having succeeded on one out of three grounds of opposition pleaded, was entitled to one third of its costs. Hence, practitioners should be aware of the potential cost consequences when pleading untenable grounds that are not supported by evidence. Practitioners should consider whether they should go with an “argue it all” approach, or pick their arguments wisely to exclude arguments when the evidence is leaky at best.

Should you have any queries as to how this update may affect you or your organisation or require further information, please do not hesitate to email us.



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