Case Note

THE CONUNDRUM OF "TRADE MARK USE"

City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier
[2010] 1 SLR 382

One of the thorny questions in infringement claims brought under the Trade Marks Act is the following: is there a requirement for "trade mark use" in the infringement provision? The difficulties in this area are evident from the fact that, although this question is supposed to have been answered by the European Court of Justice in 2002, two leading academics in the UK maintain that "some controversy and uncertainty" surrounds this question in the EU today. Uncertainty in trade mark law is bad news for the business community. For Singapore, the answer was previously found in the High Court's 2005 judgment in *Nation Fittings (M) Sdn Bhd v Oystertec plc* [2006] 1 SLR(R) 712. Now, in *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382, the Court of Appeal has weighed in on this debate.

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I. Introduction

1 In most trade mark infringement actions, the complaint of the plaintiff (the registered proprietor) is that the defendant has used a sign in a manner that suggests to the purchasing public that his goods or services are those of the plaintiff or that they originate from a source which is economically linked to the plaintiff. There are various shorter ways of describing this manner of using the sign: the defendant has used the sign *in a trade mark sense*, or used the sign *as a trade mark*, or engaged in *trade mark use* of the sign, that causes confusion in the marketplace. The core idea in all these different formulae is that the defendant has used the sign to denote the trade origins of the goods or services in question. In this case note, uses of a sign which embody this core idea shall be referred to as "origin-related use".

2 What then are non-origin-related uses of a sign? These of course are uses of the sign that have purposes other than to denote the

trade origins of the goods or services. This may be obvious, but it is still useful to provide a few examples of non-origin-related uses of a sign. The classic example would be the use of a sign to describe the quality of the goods or services. Imagine that the registered trade mark is the word mark "CROCODILE" and the defendant's shoes, which are made of crocodile skin, are labelled "XYZ BRAND (crocodile skin)". Here, the defendant is using the word "crocodile" in a descriptive sense. Another example is known as "use as a badge of allegiance". Imagine that someone has registered a wedding photo of Prince William and Kate Middleton for cups and posters, and there is evidence that the purchasing public merely treat these items as carriers of the image of the royal couple. To put it in another way, the wedding photo appearing on the cup does not serve to inform the purchaser that the cup came from a particular trade source and, in this sense, the wedding photo is not used as a trade mark. The third example is where the sign is used on the goods for embellishment or decorative purposes. This was what happened in *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier*[1] ("*City Chain*").

3 The plaintiff in *City Chain* was the Louis Vuitton ("LV") Company. The mark in question was the design of a flower known as the "Flower Quatrefoil" mark. This mark was registered for watches. The defendant, an established chain of watch shops, sold watches under the brand "SOLVIL". The watch face of one particular line of the defendant's products featured a series of flowers which were similar to the Flower Quatrefoil mark. The flowers on the defendant's watch face were arranged in a randomly repeated and non-uniform pattern. This prompted the Court of Appeal to find that the predominant use of the SOLVIL flower on the defendant's watches was for decorative purposes. Such use, said the appellate court, was "not trade mark use".[2] This finding brought to the fore the legal issue: can a non-origin-related use amount to an infringing act within s 27, the infringement provision in the Trade Marks Act 1998?[3]

4 The Singapore ss 27(1)–27(2) are derived from the infringement provision in the EU Trade Marks Directive.[4] The legal issue posed above is supposed to have been answered by the European Court of Justice ("ECJ") in its 2002 decision in *Arsenal Football Club plc v Reed*[5] ("*Arsenal*"). There, the ECJ held that there was infringement provided the defendant's use was "liable to affect the functions of the trade mark,

1 [2010] 1 SLR 382.
2 *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [38].
3 Cap 332, 2005 Rev Ed.
4 See Art 5(1)(a)–(b) of the EU Trade Marks Directive (Directive 89/104/EEC of 21 December 1988, now renamed as Directive 2008/95/EEC of 22 October 2009).
5 [2003] RPC 8.

in particular its essential function of guaranteeing to consumers the origin of the goods" [emphasis added].[6] The conventional interpretation of this test is that the infringement provision captures origin-related uses *and* non-origin-related uses. However, there was some resistance to this interpretation in certain quarters in the UK.[7] For example, Lord Nicholls in *R v Johnstone* interpreted the *Arsenal* test to encompass only origin-related uses.[8] Even today, two leading academics in the UK maintain that "some controversy and uncertainty surrounds the question whether, and if so which, [non-origin-related] uses should constitute infringement" in the EU.[9] This sentiment is shared by many others in the EU, as noted in an eminent study of the European trade mark system published in February 2011.[10] This study recorded that there was "general agreement among participants [in its survey] that the current jurisprudence of the ECJ in respect of those issues [in particular, the requirement that a mark must be used as a trade mark] is neither consistent nor satisfactory".[11]

5 *City Chain* was not the first time this legal issue had arisen in Singapore. Earlier in *Nation Fittings (M) Sdn Bhd v Oystertec plc*[12] ("*Nation Fittings*"), Andrew Phang J (as he then was) sitting in the High Court was confronted with this issue. The registered mark was a two-dimensional plan drawing of a pipe fitting, and the defendant was sued for trade mark infringement for marketing pipe fittings of a shape which was similar to the registered mark. The mark was so integral to the product in question (pipe fittings) that the defendant was merely using the mark to tell the world what his product was, namely, pipe fittings. To put it in another way, the defendant was using the mark in a descriptive sense. Phang J found that the defendant had not used the mark "as a trade mark as such".[13] After considering the differing approaches in the UK, Phang J decided that without trade mark use there could be no infringement under s 27. He reasoned that this stricter

6 *Arsenal Football Club plc v Reed* [2003] RPC 8 at [51].

7 In particular, see the reaction of (the late) Laddie J, the English judge who made the reference to the European Court of Justice: [2003] ETMR 36.

8 [2003] FSR 42 at [17].

9 See Bently & Sherman, *Intellectual Property Law* (Oxford University Press, 3rd Ed, 2009) at p 923, para 4.3. See also Cornish, Llewelyn & Aplin, *Intellectual Property: Patents, Copyright, Trade Marks And Allied Rights* (Sweet & Maxwell, 7th Ed, 2010) at p 750, para 8.46 where these professors opined that "the Delphic pronouncements of the ECJ on what kind of use is required for a finding of trade mark infringement remains to be worked out".

10 *Study on the Overall Functioning of the European Trade Mark System* (Max Planck Institute for Intellectual Property and Competition Law, February 2011).

11 *Study on the Overall Functioning of the European Trade Mark System* (Max Planck Institute for Intellectual Property and Competition Law, February 2011) at para 2.178.

12 [2006] 1 SLR(R) 712.

13 *Nation Fittings (M) Sdn Bhd v Oystertec plc* [2006] 1 SLR(R) 712 at [74].

approach was consistent with "logic and fairness"[14] because "trade marks have, in the final analysis, to do with the *origin* of the goods concerned".[15]

6 When the question surfaced a second time in *City Chain*, Phang JA was one of the judges of appeal hearing the dispute, the other two being V K Rajah JA and Chao Hick Tin JA. The judgment was delivered by Chao JA. It was a unanimous decision. After an analysis of the *Arsenal* decision and how this decision had been interpreted by the ECJ and the UK courts in later cases, the Court of Appeal came to the conclusion that the EU indeed had a "broader Community approach"[16] where the focus of the inquiry was not on whether the defendant's use was origin-related, but on whether the defendant's use was liable to affect the functions of the trade mark. The appellate court proceeded to weigh the advantages and disadvantages of this broader approach. The balance came down in favour of adopting a stricter approach, that is, to have a requirement for origin-related use in s 27. For convenience, the broader Community approach shall be referred to as the "European Approach", and the stricter approach adopted by the Court of Appeal (and by the High Court in *Nation Fittings*) as the "Singapore Approach". Before examining the policy reasons for discarding the European Approach, it is useful to have a better understanding of the implications of adopting the Singapore Approach.

II. Implications of adopting the Singapore Approach

7 Some may get the impression that adopting the Singapore Approach means that all origin-related uses are infringing acts in s 27. This is not true. Adopting the Singapore Approach means that non-origin-related uses *cannot* be infringement under s 27, and that origin-related uses *can be* infringing acts under s 27. For an origin-related use to be an infringing act under s 27, it must satisfy the other conditions laid out in this provision. What these conditions are depends on which subsection of s 27 governs the dispute. Below is a table that summarises the conditions in s 27:

14 *Nation Fittings (M) Sdn Bhd v Oystertec plc* [2006] 1 SLR(R) 712 at [72].
15 *Nation Fittings (M) Sdn Bhd v Oystertec plc* [2006] 1 SLR(R) 712 at [62].
16 *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [20].

Section 27(1)	Two conditions: (a) The sign used by the defendant is identical with the plaintiff's registered trade mark. (b) The goods/services of the defendant are identical with the goods/services for which the plaintiff's trade mark is registered.
Section 27(2)(*a*)	Three conditions: (a) The sign used by the defendant is identical with the plaintiff's registered trade mark. (b) The goods/services of the defendant are similar to those for which the plaintiff's trade mark is registered. (c) There exists a likelihood of confusion on the part of the public.
Section 27(2)(*b*)	Three conditions: (a) The sign used by the defendant is similar to the plaintiff's registered trade mark. (b) The goods/services of the defendant are identical with or similar to those for which the plaintiff's trade mark is registered. (c) There exists a likelihood of confusion on the part of the public.
Section 27(3)	Five conditions: (a) The plaintiff's registered mark is well known in Singapore. (b) The sign used by the defendant is identical with or similar to the plaintiff's registered trade mark. (c) The goods/services of the defendant are not similar to those for which the plaintiff's trade mark is registered. (d) The defendant's use of the sign would indicate a connection between the defendant's goods/services and would be likely to cause confusion to the public. (e) The interests of the plaintiff are likely to be damaged by the defendant's use.

8 The effect of adopting the Singapore Approach in *Nation Fittings* and *City Chain* is the addition of another condition into s 27, namely, that the defendant's use of the mark must be origin-related in nature. In actual fact, the addition of this condition has very little impact in cases fought under ss 27(2)(*a*), 27(2)(*b*) and 27(3). This is because proof of likelihood of confusion is a requirement in these three

subsections. When the defendant's use is non-origin-related in nature, it would be extremely difficult – if not impossible – to prove existence of confusion. The reason for this was given by the late Laddie J in *In re Elvis Presley Trade Marks* when he was confronted with a particular non-origin-related use that has been mentioned earlier, namely, use of a sign as a "badge of allegiance". The example of the public buying cups featuring the wedding photo of Prince William and Kate Middleton was used to illustrate what such use is about. Laddie J was concerned at that time with the royal wedding of Prince William's parents, and this is what he said:[17]

> When a fan buys a poster or a cup bearing an image of his star, he is buying a likeness, not a product from a particular source. … the purchaser of any one of the myriad of cheap souvenirs of the royal wedding bearing pictures of Prince Charles and Diana, Princess of Wales, wants mementos with likeness. He is likely to be indifferent as to the source.

9 When the purchaser is likely to be indifferent as to the source of the defendant's product, he is not likely to be confused into thinking that the defendant's product came from the plaintiff or an undertaking that is economically linked to the plaintiff. It is equally true that the purchaser will not be confused when the defendant is using the sign to decorate the goods or to describe the goods, and this was indeed the finding in *City Chain* and *Nation Fittings*. In *City Chain*, the defendant's use of the flower mark was for decorative purposes. Since the purchaser saw the flower mark on the defendant's watch merely as an embellishment on the watch, the purchaser was not likely to wander about the source of this watch, much less be confused into thinking that this watch comes from the LV Company. In *Nation Fittings*, the defendant's use of the sign on his product was for descriptive purposes. Since the defendant was using the sign to inform the purchaser what his product was and not who made the product, the purchaser was not likely to wander about whether the product came from a particular business. These two cases were fought under s 27(2)(*b*) because the sign used by the defendant was held to be similar to (not identical with) the registered mark. Without confusion, the claims under s 27(2)(*b*) must fail.

10 The real impact of the Singapore Approach lies in claims brought under s 27(1). Section 27(1) is invoked when the parties' marks are identity and their goods/services are identical. It is often referred to as the "double identity" provision. There is no explicit requirement in s 27(1) for proof of confusion. The reason for this has been explained in this way: existence of confusion in "double identity" cases is

17 [1997] RPC 543 at 554.

"presumed".[18] In other words, the plaintiff in "double identity" cases is spared the burden of adducing evidence to prove existence of confusion. The protection under s 27(1) has also been described as "absolute"[19] in the sense that once it is shown that the parties' marks and goods/services are identical, the court must find that the defendant's use is an infringing act under s 27(1).[20] The significance of *City Chain* – and prior to that, *Nation Fittings* – is that the absolute protection under s 27(1) is subject to the satisfaction of another condition, namely, that the defendant's use must be origin-related in nature. The facts in *City Chain*, with a small modification, will be used to illustrate the different impact that the Singapore Approach and the European Approach have on s 27(1). Imagine that the flowers displayed on the defendant's watch face were identical with the registered Quatrefoil Flower mark. The dispute would have been a case for s 27(1). Under the Singapore Approach, the finding by the Court of Appeal that the defendant's use of the flower mark was for decorative purpose would have ended the inquiry in s 27(1) immediately, with judgment in favour of the defendant. Under the European Approach, the court would have to continue with the inquiry to determine if the defendant's use of the flower mark for decorative purposes adversely affected the other functions of the registered mark, and it would be possible for the court to give judgment against the defendant under s 27(1).

III. Should Singapore have departed from the European Approach?

11 The preceding section has made the point that the impact of adopting the Singapore Approach is really confined to claims brought under s 27(1). Nonetheless, the decision not to follow the European Approach is an important one, and the policy reasons for this departure deserve a closer examination. The Court of Appeal listed two advantages and two disadvantages of the European Approach. The first (second) advantage and first (second) disadvantage are in effect the two sides of the same coin, and they will be evaluated together.

18 *MediaCorp News Pte Ltd v Astro All Asia Networks plc* [2009] 4 SLR(R) 496 at [56]. There is an international dimension to this presumption of confusion: Art 16(1) of the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement") requires World Trade Organization members to provide for this presumption of confusion in "double identity" cases.

19 See Recital 11 of the EU Trade Marks Directive (Directive 89/104/EEC of 21 December 1988, now renamed as Directive 2008/95/EEC of 22 October 2009).

20 Liability of the defendant then hinges on whether he can prove that his infringing act is permitted under any of the statutory defences in the Trade Marks Act (Cap 332, 2005 Rev Ed). See further the discussion at paras 18–21 of this article.

12 The first advantage of the European Approach, according to the Court of Appeal, is that it links the protection of a registered trade mark to the function of the registered mark as a guarantee of origin. However – and this is the disadvantage – the European Approach also protects non-origin-related uses and, by going beyond protecting the origin function of the trade mark, it can lead to excessive protection. The Court of Appeal was not entirely convinced that this would be the effect of the European Approach because, to its mind, non-origin-related uses which could affect the functions of the trade mark were "very few and far between".[21] The appellate court was more concerned that, if the European Approach was rejected thereby leaving these "few and far between" non-origin-related uses outside of s 27, this would lead to under-protection. With respect, this author submits that rejecting the European Approach would not lead to under-protection. It is true that, in modern trade mark legal theory, apart from the essential function of being a guarantee of origin, a trade mark can have additional functions such as the functions of "communication, investment or advertising".[22] However, protection for these additional functions is *not* the subject matter of s 27. Section 27 – whether under subsections (1), (2)(*a*), (2)(*b*) or (3) – is *only* concerned with protecting the origin function of the trade mark. That this is the sole purpose of s 27 is evident from the fact that confusion as to source is an element in this infringement provision. Even in the case of s 27(1), the "double identity" provision, confusion is a core concept, *albeit* a concept that is presumed by the law. The other functions of communication, investment and advertising of a trade mark are not the concern of s 27, but of another provision in the Trade Marks Act, namely, s 55(3)(*b*). The latter is the so-called anti-dilution provision where protection may be granted even in the absence of confusion.[23] The irrelevance of confusion in the determination of liability under s 55(3)(*b*) indicates that the aim of this provision is to go beyond protecting the origin function of the trade mark.

13 The second advantage of the European Approach, according to the Court of Appeal, is the greater flexibility it provides, thereby allowing the courts to achieve justice in individual cases. However – and this is the disadvantage – it could lead to uncertainty when the court has to determine whether the defendant's use adversely affects the functions of the trade mark. In making the point on uncertainty, the Court of Appeal referred to Lord Walker's judgment in *R v Johnstone*.[24] Lord Walker's concern was this: in cases where the registered mark is in

21 *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier* [2010] 1 SLR 382 at [29].

22 *L'Oreal SA v Bellure NV* [2010] RPC 1 at [58].

23 The irrelevance of confusion in the anti-dilution provision has been statutorily enshrined in the definition of "dilution" in s 2(1) of the Trade Marks Act (Cap 332, 2005 Rev Ed).

24 [2003] FSR 42 at [86]–[87].

some way descriptive of the goods/services, it can be difficult to determine in a particular case if the defendant is using the registered mark to describe the goods/services he is selling (and hence it is non-origin-related use) or if the defendant is using the mark as a badge of origin (and hence it is origin-related use). With respect, this is a difficulty that is not peculiar to the European Approach. It is a difficulty that arises in the Singapore Approach too. The real uncertainty caused by the European Approach lies in the fact that it is not easy to determine whether the other functions of the trade mark have been adversely affected by the defendant's use. It has been mentioned that these other functions include functions of "communication, investment and advertising". But what exactly are these functions, and when or how are they adversely affected? The lack of clarity in the European Approach can be traced all the way back to the *Arsenal* case itself. The defendant's use of the registered mark in this case was a form of "use as a badge of allegiance".[25] The ECJ held that the defendant was liable under the "double identity" provision in the EU Trade Marks Directive for the following reason:[26]

> Having regard to the presentation of the word 'Arsenal' on the [the defendant's] goods at issue …, the use of that sign is such as to create the impression that there is a material link in the course of trade between the goods concerned and the trade mark proprietor. [emphasis added]

14 It would seem that the defendant was found liable because his use of the mark was ultimately rationalised by the ECJ as use that was *origin-related* in nature.

15 Neither do post-*Arsenal* decisions provide guidance as to how or when a non-origin-related use affects the functions of the trade mark. In the survey of cases involving non-origin-related uses, none of them held that the non-origin-related use affected the functions of the trade mark. Below is a summary of the survey:

> (a) Use of the sign to describe the quality or some other characteristic of the goods/services. In *RxWorks Ltd v Hunter*,[27] the registered mark was "VET.LOCAL" for computer software and hardware. The defendant used the term "vet.local" in a

25 This was the finding of fact made by the trial (and referring) judge, the late Laddie J: [2001] FSR 46 at [25].

26 *Arsenal Football Club plc v Reed* [2003] RPC 8 at [56]. See also [57] where the European Court of Justice found that there was a clear possibility that some consumers, if they came across the defendant's goods after they were sold from the defendant's store, might interpret the Arsenal signs appearing on the defendant's goods as "designating Arsenal [Football Club] as the undertaking of origin of the goods".

27 [2008] RPC 13.

computer system for the administration of veterinary practices to indicate the location of a directory or file folder in the computer system and as a name for a local domain internal to the system. Such descriptive use of the registered mark by the defendant, the UK High Court held, did not jeopardise any of the functions of the trade mark. The claim for infringement under the "double identity" provision failed.

(b) Use of the sign for decorative or embellishment purposes. In *Adidas-Salomon AG v Fitnessworld Trading Ltd*,[28] the registered mark was the well-known motif of the Adidas Company comprising three parallel strips for clothing. The defendant marketed sports clothing with a motif comprising two parallel strips running down the side seams of the clothing. It was found that the public viewed the appearance of the mark on the defendant's clothing purely as an embellishment. The ECJ held that this use for embellishment purposes could not be prohibited under the "double identity" provision.

(c) Use of the sign on replicas. In *Adam Opel AG v Autec AG*,[29] the registered mark was the Opel logo for motor vehicles and toys. The defendant made scale models or replicas of genuine cars under the trade mark "Cartronic". One of the defendant's products was the replica of the Opel Company's motor car. The defendant's replica displayed the Opel logo on the radiator grill in the same manner as the original Opel car. There was evidence that the public, being used to the fact that the toy industry had been reproducing faithfully (right down to the affixing of the trade mark) cars which exist in reality, understood that the Opel logo appearing on the defendant's replicas merely indicated that this was a scale model of an Opel car. In other words, the public did not see the Opel logo appearing on the defendant's replicas as a badge of origin. The ECJ held that this non-origin-related use of the registered mark by the defendant did not affect the functions of the Opel logo.

(d) Use of the sign as a company or trade name. In *Céline SARL v Céline SA*,[30] the registered mark was "CÉLINE" for clothing. The defendant's company name was "Celine" and the name of its shop which sold clothing was "Celine". The ECJ held that, where the use of the mark was in a company name or trade name for the purpose of identifying the company or the business which was being carried on, and not for the purpose of

28 [2004] FSR 21.
29 [2007] ETMR 33.
30 [2007] ETMR 80.

distinguishing the goods/services in question, such use was not an infringing act prohibited by the "double identity" provision.

16 Some trade mark lawyers may point to two recent decisions of the ECJ and argue that these two decisions serve as examples of how the "communication, investment and advertising" functions of a trade mark are adversely affected. The first case is *L'Oreal SA v Bellure NV*.[31] The claimants' marks were registered for perfumes, and the defendant sold perfumes that smelt like the claimants' perfumes. The defendant used the registered marks in its advertising leaflet for the purpose of comparing the prices of the claimant's perfumes and the defendant's perfumes. The second case is *Google France SARL v Louis Vuitton Malletier*.[32] Google provided the "AdWord" referencing service which allowed an advertiser to reserve a keyword comprising the registered trade mark of another party. Upon such reservation, when the internet surfer makes a search using that particular keyword, advertisements for the advertiser's goods/services would be displayed on the surfer's computer screen. The advertiser pays a fee to Google if the surfer clicks onto this advertisement. In both these cases, the ECJ held that it was possible for the use of the registered trade mark in the advertisements by the defendants (the advertisers) to affect the "communication, investment or advertising" functions of the marks. It should be noted, however, that the defendant's use of the registered trade marks in these two cases were uses which were origin-related in nature. For example, in *L'Oreal*, the defendant's use of the registered mark in the comparative list was for the purpose of informing the customer that the perfumes bearing the registered trade marks originate from the claimants. It is on this basis that the customer could compare the claimant's perfumes against the defendant's perfumes on their prices and other characteristics (the smell). Since these two cases are really concerned about origin-related uses of the trade mark, they are not useful guides on how the European Approach is supposed to work.

17 Looking at how the courts in *Arsenal* and post-*Arsenal* cases have applied the European Approach, there can only be two conclusions. First, the test in the European Approach is satisfied only when the defendant's use is origin-related in nature. Second, this test can be satisfied when the defendant's use is non-origin-related in nature, but it has not happened yet in all these years – almost a decade – since the European Approach was devised in *Arsenal*. The first conclusion means that the European Approach is really the same as the Singapore Approach in effect. The second conclusion means that no one really

31 [2010] RPC 1. For another case involving comparative advertising, see *O2 Holdings Ltd v Hutchison 3G UK Ltd* [2008] ETMR 55.

32 [2010] RPC 19.

knows how or when a non-origin-related use adversely affects the functions of the registered mark.

IV. The interface between the Singapore Approach and the defence of descriptive use in s 28(1)(*b*)

18 Section 27 is the infringement provision in the Trade Marks Act. An act that is held by the court to fall within the ambit of this provision is an infringing act – unless the defendant is able to show that his act is permitted by other provisions in the Trade Marks Act. One of these provisions is s 28(1)(*b*), which is reproduced below:

> Notwithstanding section 27, a person does not infringe a registered trade mark when –
>
> …
>
> (*b*) he uses a sign to indicate –
>
> (i) the kind, quality, quantity, intended purpose, value, geographical origin or other characteristic of goods or services;
>
> (ii) the time of production of goods or of the rendering of services;
>
> and such use is in accordance with honest practices in industrial or commercial practices.

19 The defence provided in s 28(1)(*b*) is sometimes referred to as the "*bona fide* descriptive use" defence. The adoption of the Singapore Approach in s 27 raises the following question: if non-origin-related uses, in particular a descriptive use, of the mark are not infringing acts under s 27, does this mean that the Singapore Approach has rendered s 28(1)(*b*) otiose?

20 The answer to this question is in the negative. There is still a role for s 28(1)(*b*) because it is possible for the defendant to be using the registered mark in the trade mark sense *and* in a descriptive sense. This possibility was recognised in *Gerolsteiner Brunnen GmbH v Putsch GmbH*.[33] The registered mark was "GERRI" for mineral water and the defendant sold mineral drinks under the mark "KERRY SPRING". The defendant's mineral water originated from a spring called "Kerry Spring". It was found that the defendant was using the mark "KERRY SPRING" in a trade mark sense. The ECJ held that, even when the defendant was using the mark in a trade mark sense, it was possible for this origin-related use to fall within the ambit of the European defence

33 [2004] RPC 39.

of descriptive use.[34] In such cases, the defendant's liability hinges on whether the defendant can show that his descriptive use of the mark is in accordance with honest practices in industrial or commercial practices.

21 Conversely, the presence of the *bona fide* descriptive use defence in the Trade Marks Act does not mean that it was wrong to adopt the Singapore Approach in s 27. This is because not all non-origin-related uses are covered by this defence. Take for example the facts of *City Chain*. The defendant's use of the flower mark to decorate or embellish the watch face could not be said to be use that described the "kind, quality, quantity, intended purpose, value, geographical origin or other characteristic" of the defendant's watch. Thus, this defence was not available to the defendant. Without the requirement for trade mark use in s 27 imposed by the Singapore Approach, the defendant would have been found liable for trade mark infringement.

V. Conclusion

22 Given that ss 27(1)–27(2) of our Trade Marks Act is modelled on the European infringement provision, it was a big step for our courts to take when they did not follow the European Approach and instead went for the stricter Singapore Approach. It is submitted that there are good reasons not to follow the European Approach. First, adopting the stricter Singapore Approach in s 27 has a sound doctrinal basis. The purpose of s 27 is to prevent harm to the essential origin function of a trade mark. Non-origin-related uses of the trade mark are not the concern of s 27; they are the concern of another provision in the Trade Marks Act, the anti-dilution provision s 55(3)(*b*). Therefore, there should be no fear that adopting the stricter Singapore Approach in s 27 will lead to under-protection. Second, whilst the European Approach has flexibility and provides room for manoeuvre to achieve justice in individual cases, it is not fair to the business community as a whole when no one knows for sure how the European Approach works. For these reasons, this author welcomes the decision of the Court of Appeal in *City Chain*.

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34 In the EU Trade Marks Directive (Directive 89/104/EEC of 21 December 1988, now renamed as Directive 2008/95/EEC of 22 October 2009), the defence of descriptive use is found in Art 6(1)(b).