

## Case Note

### PASSING OFF OF WELL-KNOWN TRADE MARKS

*Novelty Pte Ltd v Amanresorts Ltd*  
[2009] 3 SLR(R) 216

*Novelty Pte Ltd v Amanresorts Ltd* is a landmark decision for Singapore as the decision at first instance was the first case where the Singapore courts have upheld a trade mark that is not registered in Singapore as being well known, and have restrained against its unauthorised use. This article examines the decision of the Court of Appeal in interpreting the requirements of s 55(3)(a) of the Trade Marks Act,<sup>1</sup> and its approach on the issue of how a well-known trademark may be protected under the law of passing off and the Trade Marks Act.

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#### **I. The facts**

1 Amanresorts Limited and Amanresorts International Pte Ltd (collectively, “Amanresorts”) were two companies operating under the umbrella of the Amanresorts Group. Apart from being involved in the resort business, Amanresorts were also engaged in the residential accommodation business which entailed Amanresorts granting licences for the use of the word “Aman” as well as other words bearing the prefix “Aman” to real estate developers in return for a branding fee.

2 Amanresorts were the proprietors of various trade marks comprising the word “Aman” and/or the prefix “Aman” around the world, including “Amanusa”, a name which Amanresorts used for one of their luxurious resorts in Bali. In Singapore, however, the name “Amanusa” which was initially registered was allowed to expire on 12 November 2001 because Amanresorts decided to make a shift in their commercial strategy. On the other hand, the word “Aman” was not, and had never been, registered as a trade mark in Singapore.

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1 Cap 332, 2005 Rev Ed.

3 Novelty Pte Ltd (“Novelty”), a Singapore real estate developer which was involved in the development of residential properties, in particular, condominiums targeted at the domestic market, had named one of its condominium projects “Amanusa” (“the Project”). As part of the marketing efforts of Novelty, Novelty had advertised the Project in, *inter alia*, the newspapers and on the Internet, as a “Balinese-inspired” retreat that included a “water-themed backdrop”.

4 Having no registered trade mark protection for the mark “Amanusa” in Singapore, Amanresorts brought an action for passing off against Novelty when Amanresorts became aware of the Project. Amanresorts also claimed that their “Aman” marks were well known to one or more of the relevant sectors of the public, namely, actual consumers and potential consumers of goods and services provided under the “Aman” names, as well as members of the hospitality, travel and/or property development industries, and therefore sought protection under s 55 of the Singapore Trade Marks Act (“TMA”).<sup>2</sup>

5 Section 55 of the TMA<sup>3</sup> provides as follows:

Protection of well known trade marks

55.—(1) A well known trade mark shall be entitled to protection under this section –

(a) whether or not the trade mark has been registered in Singapore, or an application for the registration of the trade mark has been made to the Registrar; and

(b) whether or not the proprietor of the trade mark carries on business, or has any goodwill, in Singapore.

(2) Subject to subsections (6) and (7), the proprietor of a well known trade mark shall be entitled to restrain by injunction the use in Singapore, in the course of trade and without the proprietor’s consent, of any trade mark which, or an essential part of which, is identical with or similar to the proprietor’s trade mark, in relation to identical or similar goods or services, where the use is likely to cause confusion.

(3) Subject to subsections (6) and (7), the proprietor of a well known trade mark shall be entitled to restrain by injunction the use in Singapore, in the course of trade and without the proprietor’s consent, of any trade mark which, or an essential part of which, is identical with or similar to the proprietor’s trade mark, in relation to any goods or services, where the use of the trade mark –

(a) would indicate a connection between those goods or services and the proprietor, and is likely to damage the interests of the proprietor; or

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2 Cap 332, 2005 Rev Ed.

3 Cap 332, 2005 Rev Ed.

- (b) if the proprietor's trade mark is well known to the public at large in Singapore –
    - (i) would cause dilution in an unfair manner of the distinctive character of the proprietor's trade mark; or
    - (ii) would take unfair advantage of the distinctive character of the proprietor's trade mark.
- (4) Subject to subsections (6) and (7), the proprietor of a well known trade mark shall be entitled to restrain by injunction the use in Singapore without the proprietor's consent of any business identifier which, or an essential part of which, is identical with or similar to the proprietor's trade mark, where the use of the business identifier –
  - (a) would indicate a connection between the business in respect of which it is used and the proprietor, and is likely to damage the interests of the proprietor; or
  - (b) if the proprietor's trade mark is well known to the public at large in Singapore –
    - (i) would cause dilution in an unfair manner of the distinctive character of the proprietor's trade mark; or
    - (ii) would take unfair advantage of the distinctive character of the proprietor's trade mark.
- (5) If the Court grants an injunction under subsection (4) restraining the use by any business of any business identifier, the Court may make such other order as the Court deems fit in respect of any entry in any record maintained by any person, body or authority which associates that business with that business identifier.
- (6) The proprietor shall not be entitled to the right referred to in subsection (2), (3) or (4) if the use of the trade mark or business identifier, as the case may be, began before the proprietor's trade mark became well known in Singapore, unless the trade mark or business identifier has been used in bad faith.
- (7) The proprietor shall cease to be entitled to the right referred to in subsection (2), (3) or (4) if the proprietor has acquiesced for a continuous period of 5 years in the use of the trade mark or business identifier, as the case may be, in Singapore, being aware of that use, unless the trade mark or business identifier has been used in bad faith.
- (8) In deciding whether the trade mark or business identifier, as the case may be, has been used in bad faith, it shall be relevant to consider whether the person who used the trade mark or business identifier had, at the time he began to use the trade mark or business identifier, knowledge of, or reason to know of, the proprietor's trade mark.

(9) Nothing in subsection (2) shall affect the continuation of any use referred to therein in good faith of a trade mark that was begun before 15th January 1999.

(10) Nothing in subsection (3) or (4) shall affect the continuation of any use referred to therein in good faith of a trade mark or business identifier, as the case may be, that was begun before 1st July 2004.

(11) For the purposes of this section and sections 55A, 56, 57 and 59, 'use', in relation to a trade mark, means use within the meaning of section 27(4).

6 The High Court had found<sup>4</sup> that goodwill existed in Singapore in the names "Aman" and "Amanusa", and that there was a real risk that a significant number of the relevant section of the public would believe that there was a business connection between the plaintiff and the defendant. The High Court defined the relevant section of the public in this case to encompass Singapore citizens or residents who had visited the Aman resorts or who were prospective visitors to the resorts, as well as foreign individuals and corporations here intending to visit the resorts or seeking to invest in high-end properties, and developers and hoteliers interested in becoming licensees of the "Aman" brand names. The High Court was satisfied that Amanresorts would in all likelihood suffer consequential intangible losses occasioned from their name being associated with projects of lower luxury and class such as the defendant's project in Yio Chu Kang. Finally, the High Court accepted that the "Aman" names were well known in Singapore.

7 The defendant appealed against the decision of the High Court. On 31 March 2009, the Court of Appeal delivered its written grounds and dismissed the appeal. The decision of the Court of Appeal<sup>5</sup> will be examined below.

## II. Passing off

### A. *Whether goodwill existed in the "Aman" names*

8 The High Court had found that "Amanusa" was distinctive, being a "portmanteau word invented through the clever use of intentional syntax error coupled with syncopation by dropping one 'n'". In addition, no such word existed in the Indonesian language. As for the principal brand "Aman", although that is an Indonesian word that means "peace" or "peaceful", it should be regarded as a fanciful trade mark when used in relation to hotels and resorts and hence was entitled

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4 *Amanresorts Ltd v Novelty Pte Ltd* [2008] 2 SLR(R) 32.

5 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216.

to protection. The High Court found that the “Aman” names had goodwill in Singapore at the time when the allegedly tortious conduct by Novelty commenced.<sup>6</sup>

9 On appeal, the Court of Appeal remarked that such a finding was ambiguous because the High Court did not specify whether the goodwill in the “Aman” names existed in the minds of the general public in Singapore, or whether it was operative on only a small section of that public.<sup>7</sup> The Court of Appeal was of the view that goodwill was not an all-or-nothing attribute, *ie*, goodwill can be limited to particular sections of the public. These sections of the public can be small, as long as they are not negligible. However, such goodwill would then exist only in relation to that small group, and not to the entire public at large in Singapore. In this case, the Court of Appeal found that goodwill in the “Aman” names existed among actual and potential customers in Singapore of the Aman resorts. Although this group of customers was quite small due to limited exposure, goodwill could nonetheless be said to exist. However, such goodwill only extended to the “Aman” names used by Amanresorts as the names of their resorts and hotels, and did not extend to other “Aman” prefixed names.<sup>8</sup>

10 Although Amanresorts did not have any resort or hotel in Singapore, their physical presence in Singapore took the form of an international corporate office and an international reservations office. This allowed Amanresorts to establish goodwill here even if the “Aman” names used by their overseas resorts and hotels had a much more limited exposure in Singapore as compared with those overseas locations in which the “Aman” resorts were situated (often exotic and relatively inaccessible in order to maintain exclusivity, seclusion and privacy).<sup>9</sup>

11 In terms of marketing, Amanresorts did not advertise their resorts in the mainstream media, but targeted their advertisements only at rich individuals, both local and foreign, and other specialist consumers like those in the high-end travel industry. As this form of advertising was sporadic in nature, it would have generated only trivial goodwill (which the law of passing off does not protect) in the “Aman” names, *ie*, the limited goodwill of wealthy individuals.<sup>10</sup>

12 The Court of Appeal further noted that although the Internet can potentially cause goods, services and businesses to gain worldwide

6 *Amanresorts Ltd v Novelty Pte Ltd* [2008] 2 SLR(R) 32.

7 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [41].

8 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [44]–[45].

9 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [48]–[49].

10 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [51].

and instant exposure, it does not follow that any small, dinky business can set up a website and then claim that it has gained worldwide recognition. It follows that the existence *per se* of domain names and websites featuring the name in which goodwill is said to exist will ordinarily be insufficient as proof of exposure of that name. Evidence in addition to proof of the mere existence of domain names and websites such as the number of “hits” which appears when one conducts a search on the “Aman” websites using the Internet would be required by the court.<sup>11</sup>

13 On the question as to whether the “Aman” names had the attractive force for custom amongst the relevant sector of the public, the Court of Appeal stated that since the resort was marketed to target the wealthy, even if the “Aman” names were well known throughout Singapore such that they had a widespread reputation, the high room rates at the Aman resorts meant that these names carried no attractive force for custom among those who were less well off. The Court of Appeal therefore found that the exposure that Amanresorts had succeeded in deliberately establishing was plainly limited to the well heeled, and those in the high-end travel and resort industry. The rest of the public would simply not be in a position to even form a potential customer base for Amanresorts, and, therefore, in relation to that section of the public, no goodwill could be said to exist, even if a good and widespread reputation was present.<sup>12</sup>

**B. *Whether Novelty had made a misrepresentation to the relevant sector of the public***

14 Amanresorts alleged that Novelty’s use of the name “Amanusa” constituted a misrepresentation that the Project had the same source as Amanresorts’ resorts, or that the Project and the resorts were somehow connected in trade. However, for misrepresentation to be made out, the target audience of the misrepresentation must be the actual or potential customers of Amanresorts.<sup>13</sup> In *HFC Bank plc v Midland Bank plc*,<sup>14</sup> the plaintiff, HFC Bank plc, had adopted the practice of dealing with its customers in indirect ways, for instance, through introductions from credit brokers, retail finance agreements and introductions from credit card business conducted under other brand names. The English High Court held that the plaintiff had not achieved brand recognition among many of its customers:

11 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [52]–[54].

12 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [60]–[64].

13 See Christopher Wadlow, *The Law of Passing Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 3rd Ed, 2004).

14 [2000] FSR 176.

I accept that persons as respects whom HFC do not have goodwill, because they have no established brand recognition, have been confused as between the two entities, but this is not enough to make out a case of passing off; because even if in some sense it may be regarded as a misrepresentation, it is not made to the relevant people.

15 The alleged misrepresentation must therefore be analysed from the perspective of those who had goodwill towards or *vis-à-vis* Amanresorts' get up. As the name "Amanusa" was apparently prominently displayed outside the showflat, and appeared in promotional brochures and advertisements of the Project in the mass media, the Court of Appeal found that misrepresentation had therefore been made to the public at large, which would include those in Singapore with goodwill towards the "Aman" names.<sup>15</sup> This approach was subsequently followed by the Court of Appeal in *City Chain Stores (S) Pte Ltd v Louis Vuitton Malletier*<sup>16</sup> ("*City Chain*"). In that case, the respondent, Louis Vuitton, had alleged that its Flower Quatrefoil mark had been infringed by the appellant's use of its Solvil flower design mark on the watches that the appellants sold. The Court of Appeal had, in *City Chain*, referred to its earlier decision in *Novelty Pte Ltd v Amanresorts Ltd*<sup>17</sup> for the proposition that the alleged misrepresentation must be analysed from the perspective of those who have goodwill in the plaintiff's get-up, and held that the trial judge had erred as he had analysed the issue from the perspective of the appellant's customers when it should have been from the perspective of the respondent's customers. The Court of Appeal then found that Louis Vuitton's goodwill in relation to its Flower Quatrefoil mark would be limited largely to those of a high income level who would have been exposed to the respondent's advertising, and/or to once-in-a-lifetime customers and aspirants who would save up to buy the respondent's products, just as the Court of Appeal had found in *Novelty Pte Ltd v Amanresorts Ltd* that Amanresort's goodwill in the "Aman" name was limited largely to the well heeled who would have been exposed to Amanresort's advertising, as well as once-in-a-lifetime guests and aspirants.

16 As to whether the group of people in Singapore with goodwill towards the "Aman" names believed that the Project had the same source as the resort belonging to Amanresorts or was somehow connected with the source of those resorts, the Court of Appeal referred to the case of *Parker-Knoll Ltd v Knoll International Ltd*<sup>18</sup> where it was stated:<sup>19</sup>

15 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [75]–[76].

16 [2009] SGCA 53.

17 [2009] 3 SLR(R) 216.

18 [1962] RPC 265.

19 Quoted in *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [80].

Instances of actual deception may be useful as examples, and evidence of persons experienced in the ways of purchasers of a particular class of goods will assist the judge. But his decision does not depend solely or even primarily upon the evaluation of such evidence. The court must in the end trust to its own perception into the mind of the reasonable man.

17 It was found that Novelty had used for the Project a name which was identical to the name used by Amanresorts for its Amanusa Bali resort. It was also a relevant consideration that the Project was originally heavily touted as having a Balinese theme, just like the Amanusa Bali. These factors increased the likelihood of confusion. While there was no evidence to prove that Novelty had fraudulent intentions in using the name “Amanusa” for the Project,<sup>20</sup> the Court of Appeal noted that this factor, if it existed, would increase the likelihood of confusion.<sup>21</sup>

18 In assessing whether the misrepresentation had led to confusion between the business, goods and services of Novelty and those of Amanresorts, the court would also consider if the parties were in the same field or closely related fields of business. In this regard, the Court of Appeal noted that there has been a recent trend whereby luxury hotel groups are also involved in the development and management of branded long-term residential projects. The convergence between the hotel and resort industry on the one hand and the residential accommodation industry on the other makes it more likely that confusion would occur in the present case.<sup>22</sup>

19 The Court of Appeal referred to the case of *CDL Hotels International Ltd v Pontiac Marina Pte Ltd*,<sup>23</sup> in which the plaintiff had alleged that the defendant’s “Millenium” hotels were being passed off as the plaintiff’s “Millenia” complex, which comprised a hotel, a shopping mall and two office towers. The Court of Appeal in that case noted that, in so far as the hotel industry was concerned, the plaintiff’s “Millenia” complex symbolised world-class quality and prestige with top of the range services and amenities. The defendant’s “Millenium” hotels, on the other hand, were of a lower class and quality and were more economically priced. Despite these differences, the Court of Appeal in that case held that the public would very likely be deceived into thinking that the defendant’s “Millenium” hotels were associated with or related to the plaintiff’s “Millenia” complex, or that the former and the latter belonged to the same chain.

20 *Office Cleaning Services, Ltd v Westminster Window and General Cleaners, Ltd* [1946] 63 RPC 39 at 42.

21 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [82]–[83].

22 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [84]–[86].

23 [1998] 1 SLR(R) 975.

20 Adopting the foregoing principle, the Court of Appeal in the present case found that the Project was presented by Novelty as high-quality accommodation which was being sold at affordable prices. Such manner of presentation would increase the likelihood of confusion, especially as high income individuals who had goodwill towards the “Aman” names were not likely to conduct further investigation into the nature of the Project as, in the view of the Court of Appeal, high income individuals were not likely to have any interest in purchasing any units in the Project.<sup>24</sup>

**C. *Whether there was actual or probable damage caused to Amanresorts’ goodwill***

21 Various heads of damage were claimed by Amanresorts, namely, (a) inferiority of Amanresorts’ residential accommodation; (b) likelihood of damage should Amanresorts get into financial, legal or other trouble; (c) loss of licensing opportunity or licensing income, and misappropriation of goodwill and reputation; (d) restriction on Amanresorts’ expansion into the residential real estate business; and (e) loss of exclusivity and erosion of the distinctiveness of the “Aman” names as well as dilution of the goodwill attached to these names.

22 Interestingly, the Court of Appeal noted that it was insufficient for Amanresorts to merely allege that if Novelty were to get into any sort of financial, legal or other trouble, persons who had confused the Project with the Amanresorts’ resort might assume that it was Amanresorts which were having such difficulties.<sup>25</sup> There has to be a real tangible risk of substantial damage,<sup>26</sup> and not pure speculation.<sup>27</sup> As for loss of licensing opportunity or licensing income, it was not clear that the evidence adduced by Amanresorts of their licensing agreements with real estate developers overseas really proved damage arising from misrepresentation and confusion in Singapore. Although Amanresorts were entitled to license the “Aman” names overseas because they had been registered as trade marks overseas for other reasons, this did not mean that their “Aman” names had a natural capacity for generating licensing opportunities or licensing revenue in Singapore. Having said that, the loss of licensing opportunity or licensing revenue was a relevant consideration in quantifying the damage suffered by Amanresorts if passing off were proved.<sup>28</sup>

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24 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [91]–[92].

25 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [105].

26 Christopher Wadlow, *The Law of Passing Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 3rd Ed, 2004).

27 *Habib Bank Ltd v Habib Bank AG Zurich* [1981] 1 WLR 1265.

28 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [113]–[114].

23 Based on the evidence adduced by Amanresorts, the Court of Appeal was of the view that Amanresorts had successfully demonstrated a likelihood of damage in the form of tarnishment of the goodwill attached to the “Aman” names due to the difference in quality between the Aman resorts and the Project, and restriction on Amanresorts’ expansion into the residential accommodation business in Singapore. These heads of damage will be examined next.

(1) *Tarnishment of the goodwill attached to the “Aman” names*

24 Tarnishment of goodwill will result in customers thinking that the plaintiff is now the source of poor quality or undesirable business, goods or services. To establish tarnishment of goodwill, the plaintiff’s business, goods or services do not need to be in competition with the defendant’s. The plaintiff and the defendant can engage in completely different fields of business provided that it is shown that the poor quality or undesirability of the defendant’s business, goods or services rebounds on the plaintiff.<sup>29</sup>

25 In the present case, the court was of the view that tarnishment of goodwill lay in the quality of the Project which did not quite exude the same luxury and class or quality of upkeep, especially in the long run when the Project would begin to age.<sup>30</sup>

(2) *Restriction on Amanresorts’ expansion into the residential accommodation business*

26 In *Alfred Dunhill Ltd v Sunoptic SA*,<sup>31</sup> the English Court of Appeal prevented the defendant from marketing sunglasses under the name “Dunhill”, as the plaintiff – a well-known producer of tobacco goods under the same name – had expanded its business to include the sale of luxury goods for men under the name “Dunhill”. The plaintiff had also proven that although it had not sold sunglasses in England, it was planning to produce sunglasses itself.

27 Hence, a plaintiff who has established goodwill in one form of commercial activity (“the established activity”) may be entitled to protection from passing off for another form of commercial activity which is a natural expansion of the established activity (“the extended activity”), provided that a close connection between the established

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29 *Annabel’s (Berkeley Square) Ltd v G Schock* [1972] RPC 838, where the defendant operated an escort agency using the name of the plaintiff’s upscale night club.

30 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [100]–[101].

31 [1979] FSR 337.

activity and the extended activity can be proven. In *SC Johnson & Sons, Inc v Johnson*,<sup>32</sup> it was held that:

It is true that a merchant who has sold one kind of goods ... sometimes finds himself driven to add other 'lines' in order to hold or develop his existing market; in such cases he has a legitimate present interest in preserving his identity in the ancillary market, which he cannot do ... if others make his name equivocal there. But if the new goods have no such relation to the old, and if the first user's interest in maintaining the significance of his name when applied to the new goods is nothing more than the desire to post the new market as a possible preserve which he may later choose to exploit, it is hard to see any basis for its protection.

28 The court was of the view that Amanresorts' and Novelty's businesses were closely connected as both fields concerned residential accommodation. The fact that Amanresorts had already expanded into the residential accommodation business overseas buttressed this conclusion. The use by Novelty of the name "Amanusa" or of other names similar to the "Aman" names in the field of residential accommodation in Singapore would prevent Amanresorts from expanding into the residential accommodation business in Singapore.<sup>33</sup>

### III. Claim under s 55 of the TMA

29 Apart from pursuing a claim for passing off, Amanresorts also claimed that the "Aman" names were "well known trade marks" within the meaning of s 2(1) of the TMA<sup>34</sup> and were entitled to the protection of s 55(3) of the TMA.

30 The Court of Appeal agreed with the High Court that the "Aman" names were well known in Singapore when considered in light of the factors set out in ss 2(7)(a) and 2(7)(b) of the TMA.<sup>35</sup> Further, since the "Aman" names were recognised by and known to any relevant sector of the public in Singapore, then they must be deemed to be well known by virtue of s 2(8) of the TMA.<sup>36</sup>

31 On the basis that the "Aman" names were well-known trade marks in Singapore, the Court of Appeal then went on to examine if the "Aman" names were entitled to protection under s 55(3) of the TMA.<sup>37</sup>

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32 116 F 2d 427 (2nd Cir, 1940).

33 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [121].

34 Cap 332, 2005 Rev Ed.

35 Cap 332, 2005 Rev Ed.

36 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [154].

37 Cap 332, 2005 Rev Ed.

32 In this regard, one of the key issues in dispute between the parties was whether the requirement in s 55(3)(a) of the TMA<sup>38</sup> of “a connection between [the defendant’s] goods or services and the [plaintiff]” entailed that there had to be a likelihood of confusion that the plaintiff: (a) was the source of the defendant’s goods or services; or (b) had licensed the use of its (*ie*, the plaintiff’s) well-known trade mark on the defendant’s goods or services; or (c) had endorsed the defendant’s goods or services (“confusion requirement”).

33 The Court of Appeal examined, *inter alia*, the position under Art 4(1)(b)(i) of the Joint Recommendation Concerning Provisions on the Protection of Well-Known Marks (“the Joint Recommendation”) adopted by members of the World Intellectual Property Organization in September 1999, which wording was in turn adopted in s 55(3)(a) of the TMA.<sup>39</sup> Article 4(1)(b)(i) of the Joint Recommendation provides as follows:

Irrespective of the goods and/or services for which a mark is used, is the subject of an application for registration, or is registered, that mark shall be deemed to be in conflict with a well-known mark where the mark, or an essential part thereof, constitutes a reproduction, an imitation, a translation, or a transliteration of the well-known mark, and where at least one of the following conditions is fulfilled: (i) *the use of that mark would indicate a connection between the goods and/or services for which the mark is used, is the subject of an application for registration.* [emphasis added]

34 The Court of Appeal observed that (a) although Art 4(1)(b) of the Joint Recommendation does not mention that there must be a likelihood of confusion before the defendant’s trade mark will be deemed to be in conflict with the plaintiff’s trade mark, the said Article is based on Art 16(3) of the Agreement on Trade-Related Aspects of Intellectual Property Rights (“TRIPS Agreement”) which does not dispense with the confusion requirement contained in its originating provision, Art 6 of the Convention for the Protection of Industrial Property signed at Paris on 20 March 1883 (“Paris Convention”); and (b) the commentary in the Explanatory Notes on Art 4(1)(b)(i) of the Joint Recommendation indicates that the drafters of the Joint Recommendation considered the likelihood of confusion to be a requirement.<sup>40</sup> The Explanatory Notes state as follows:

Under [Art 4(1)(b)(i)], a connection between a well-known mark and a third party’s goods or services may be indicated, for example, if *the impression is created that the owner of the well-known mark is involved in the production of those goods, or the offering of those services, or that*

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38 Cap 332, 2005 Rev Ed.

39 Cap 332, 2005 Rev Ed.

40 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [205]–[207].

*such production or offering was licensed or sponsored by him.* The interests of the owner of the well-known mark could be damaged if the goods and/or services with which the connection is established have a down-market image, thereby reflecting negatively on the goodwill of the well-known mark. [emphasis added]

35 Based on the foregoing, the court concluded that Art 4(1)(b)(i) of the Joint Recommendation requires the likelihood of confusion to be shown before the defendant's trade mark will be deemed to conflict with the plaintiff's trade mark, and, therefore, confusion must likewise be proved before s 55(3)(a) of the TMA<sup>41</sup> can be invoked.<sup>42</sup> In addition, the court noted that if the confusion requirement is not read into s 55(3)(a) of the TMA, this will result in an anomaly, in that a plaintiff who relies on s 27(3) of the TMA to sue for infringement of its well-known trade mark is required to show a likelihood of confusion on the part of the public, but a plaintiff who seeks to restrain the use of the defendant's trade mark by way of an injunction is not required to show a likelihood of confusion.<sup>43</sup>

36 The Court of Appeal affirmed the High Court's decision that in respect of s 55(3)(a) of the TMA,<sup>44</sup> the tests to be adopted for the purposes of the "connection" requirement and the "likely to damage the [plaintiff's] interests" requirement would yield the same results as those obtained from applying the test relating to the claim for misrepresentation under the law of passing off. However, the two tests are not identical in that the test relating to misrepresentation and damage in passing off actions concern the plaintiff's goodwill, whereas the corresponding tests under s 55(3)(a) of the TMA concern the interests of the plaintiff and not its goodwill.<sup>45</sup>

37 In relation to what would be required of a mark to be well known, the Court of Appeal noted that it is not too difficult for a trade mark to be regarded as well known in Singapore, since the trade mark need only be recognised or known by any relevant sector of the public in Singapore, including miniscule sectors. However, a comparison between ss 55(3)(a) and 55(3)(b) of the TMA<sup>46</sup> shows that there is a distinction drawn between marks which are merely well known in Singapore, and marks which are well known to the public at large in Singapore. The Court of Appeal clarified that trade marks which are merely well-known marks in Singapore should not be given protection against the use of a similar or an identical mark on dissimilar goods or

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41 Cap 332, 2005 Rev Ed.

42 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [212] and [218].

43 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [228].

44 Cap 332, 2005 Rev Ed.

45 *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [234].

46 Cap 332, 2005 Rev Ed.

services where such use does not give rise to confusion. Protection despite the absence of confusion should be reserved for the rare and privileged few.<sup>47</sup>

38 The Court of Appeal was satisfied that Amanresorts had successfully made out a claim in passing off, as well as under s 55(3)(a) of the TMA,<sup>48</sup> and dismissed Novelty's appeal.

#### IV. Conclusion

39 The decision of the Court of Appeal in *Novelty Pte Ltd v Amanresorts Ltd*<sup>49</sup> illustrates the distinction between trade marks which are "well known in Singapore", and trade marks which are "well known to the public at large in Singapore". It also affirms the distinction between reputation and goodwill, and clarifies that goodwill is established as long as a trade mark is recognised by or known to any relevant sector of the public, no matter how small that sector may be. As long as a mark is well known in Singapore, the proprietor need not carry on business or possess any goodwill in Singapore in order to restrain others from using its trade mark. However, in order to rely on s 55(3)(a) of the TMA<sup>50</sup> to restrain any unauthorised use of a mark which is "well known in Singapore", a confusing connection between the plaintiff's and the defendant's goods or services had to be shown, unlike in the case of the "exclusive class" of marks which are "well known to the public at large in Singapore", for which there is no need to establish confusion as a prerequisite to enforcement against unauthorised use which would cause unfair dilution or take unfair advantage of the distinctive character of the proprietor's well-known trade mark.

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<sup>47</sup> *Novelty Pte Ltd v Amanresorts Ltd* [2009] 3 SLR(R) 216 at [233].

<sup>48</sup> Cap 332, 2005 Rev Ed.

<sup>49</sup> [2009] 3 SLR(R) 216.

<sup>50</sup> Cap 332, 2005 Rev Ed.