

DISTINCTLY CONFUSING

Clarifying the Applicability of Acquired Distinctiveness under Singapore Trade Mark Law

Recent decisions and articles have highlighted a schism as to how acquired distinctiveness is to be considered under Singapore law when evaluating competing trade marks for the purposes of trade mark opposition, invalidation and infringement. The persistence of this schism has divided those who practice in the field of Singapore trade mark law and has caused, to borrow an oft-used term in this area of law, confusion. This has resulted in competing views, diverging analysis and unfortunately, no consensus amongst those who adjudicate over trade mark matters in Singapore. This article examines the jurisprudence relating to acquired distinctiveness in Singapore trade mark law and argues that the schism is resolvable. This article proposes a solution to the schism that is legally and conceptually consistent with the established principles in Singapore trade mark law, and further highlights other conceptual difficulties with acquired distinctiveness that deserve greater scrutiny over the schism.

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I. Introduction

1 In a case that needs little introduction to trade mark practitioners in Singapore, the Singapore Court of Appeal in *Staywell Hospitality*

1 The views and opinions expressed in this article are the authors' own and do not reflect the views or positions of any entities they represent. All errors are the authors' own.

*Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc*² (“*Staywell*”) endorsed the step-by-step approach as the preferred approach when comparing competing trade marks for the purposes of opposition, trade mark invalidation and trade mark infringement. Under this approach, the similarity between competing trade marks is first assessed, followed by an assessment of the similarity of goods or services for which the respective trade marks are registered, and finally a determination of the likelihood of confusion arising from the two similarities.³ The step-by-step approach as set out in *Staywell* is widely viewed as a significant departure from English and European jurisprudence and was declared by the Singapore Court of Appeal as “being conceptually neater and more systematic and, importantly, as being more aligned with the requirements imposed under our statute.”⁴

2 Notwithstanding the Singapore Court of Appeal’s sentiments as stated above, the application of the step-by-step approach, in the trade mark decisions that followed *Staywell*, has been anything but conceptually neat where the distinctiveness of a trade mark acquired through use is concerned. The question that intellectual property adjudicators and practitioners have had to contend with can be stated as follows: At what stage of the step-by-step approach should a trade mark’s acquired distinctiveness be considered? Should it be considered at the marks-similarity stage, or when the likelihood of confusion is being considered?

3 The difficulty arises from two allegedly contradictory propositions which were cited with approval in *Staywell*, both being long-standing propositions of intellectual property law.⁵

4 The first set of propositions relate to the concept of distinctiveness, which refers to the capacity of a trade mark to function as a badge of origin.⁶ The Court of Appeal in *Staywell* held that distinctiveness can be inherent in the trade mark, or more pertinently, can be acquired through long-standing or widespread use.⁷ Most pertinently, the Court of Appeal held that distinctiveness is an integral factor in the marks-similarity

2 [2014] 1 SLR 911.

3 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [15].

4 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [15].

5 *Twitter, Inc v V V Technology Pte Ltd* [2022] SGIPOS 4 at [55].

6 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

7 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

inquiry, as a trade mark which has greater distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it.⁸

5 The second proposition relates to the marks-similarity assessment in the step-by-step approach: that the assessment of marks-similarity is mark-for-mark without consideration of any external matter.⁹

6 When determining whether a trade mark had acquired distinctiveness, the Singapore courts have typically considered matters such as, *inter alia*, the market share held by the trade mark, the nature of the trade mark's use, and the amount invested in promoting the trade mark.¹⁰ However, these factors also appear to fall afoul of *Staywell*'s exclusion of "external matter" that go beyond the mark-for-mark assessment at the marks-similarity stage. It is this alleged contradiction between the long-standing propositions cited in *Staywell* that has created confusion over the rightful place of acquired distinctiveness under the step-by-step approach.

7 Regrettably, this apparent contradiction has yet to be squarely tackled by the Singapore courts. Opinion on the issue is divided, most notably amongst those presiding over hearings before the Registrar of Trade Marks (the "Registrar"), whose decisions have diverged sharply in respect of this issue.¹¹ Over time, a glaring schism has developed between those who believe that acquired distinctiveness should be factored into the marks-similarity stage of the analysis and those who believe that it should be entirely reserved for the likelihood of confusion stage, with forceful arguments and concerns articulated on both sides of the divide. As a result, the step-by-step approach has led to those presiding over decisions from the Registrar stating their individual views as to where acquired distinctiveness should be applied in the step-by-step approach, rather than stating with any legal certainty what Singapore law has stated to be the rightful place for acquired distinctiveness in the step-by-step approach.

8 The persistence of this alleged contradiction has impaired the conceptual neatness of the step-by-step approach and consequently, has resulted in legal uncertainty amongst trade mark proprietors and practitioners alike. Such a state of affairs is not merely unsatisfactory; it also runs against the grain of *Staywell*. A solution that restores the conceptual

8 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

9 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [20].

10 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [33].

11 *Twitter, Inc v V V Technology Pte Ltd* [2022] SGIPOS 4 at [56].

neatness of the step-by-step approach while adequately addressing the concerns from both sides of the divide is therefore necessary.

9 In this article, the authors will show that the alleged contradiction is more imagined than real, and that acquired distinctiveness should be considered at the marks-similarity stage following *Staywell*. The authors will demonstrate why this position is entirely consistent with the principles that have been long-established in Singapore trade mark jurisprudence, such principles also having been endorsed in *Staywell*, and why this position retains the conceptual neatness desired with the step-by-step approach. It is the authors' view that the above position reflects long-established principles under Singapore trade mark law.

10 Part II of the article will examine the root of this schism in detail by reviewing the key decisions concerning acquired distinctiveness in Singapore trade mark jurisprudence since *Staywell*. The authors will submit in Part III that acquired distinctiveness should be considered in the marks-similarity assessment on the basis of the legal and conceptual propriety of doing so. Finally, Part IV will highlight the conceptual difficulties in adopting such an approach, along with the authors' recommendations as to how the difficulties may be addressed.

II. Acquired distinctiveness under Singapore law

A. *The step-by-step approach post-Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc*

11 The step-by-step approach as endorsed in *Staywell* is applicable when a proprietor of a registered trade mark asserts that a person has infringed its registered trade mark under s 27(2) of the Trade Marks Act 1998 (the "Trade Marks Act"), when a proprietor of a registered trade mark opposes the subsequent registration of a trade mark under s 8(2) of the same Act, or when a proprietor of a registered trade mark seeks to invalidate a subsequent trade mark under s 23(3)(a)(i) of the same Act.

12 There are three steps in the step-by-step approach, which are to be assessed in a strictly sequential order. The first step is to assess the similarity of the trade marks having regard to their visual, aural and conceptual similarities, based on the overall impression given by the trade marks and bearing in mind their dominant or distinctive components.¹² The second step is to assess the similarity between the goods or services

12 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [26].

of the respective trade marks. The third step assesses the likelihood of confusion on the part of the public arising from the similarity of the trade marks or of the goods and services, as assessed in the earlier two stages.¹³

13 Inherent in its name, each step in the step-by-step approach is to be considered sequentially before moving to the next. Hence, each step acts as a threshold that the trade mark proprietor alleging mark-similarity must cross. Therefore, if the trade marks are found to be dissimilar rather than similar at the first step of assessing marks-similarity, the analysis ends and the trade mark proprietor will fail in its claim.¹⁴

14 The step-by-step approach was first applied and endorsed by the Court of Appeal in *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd*¹⁵ (“*Polo (CA)*”). The Court of Appeal in *Polo (CA)* held that the step-by-step approach was “conceptually more appropriate and is in line with the structure of the provision” as compared to the global assessment test adopted in Europe, where all three stages are assessed in the round.¹⁶ The merits of the step-by-step approach were endorsed in *Staywell*.¹⁷

15 Nevertheless, the Court of Appeal in *Staywell* decided to refine the step-by-step approach by expressly departing from previously established positions on its various aspects. For example, when assessing marks-similarity, the Court of Appeal held that the marks-similarity assessment at the step-by-step approach does not include consideration of the relative weight and importance of each aspect of visual, aural and conceptual similarities having regard to the goods in question, departing from the approach that had been previously adopted by the Court of Appeal in an earlier decision.¹⁸ Further, the Court of Appeal excluded the consideration of certain extraneous factors at the confusion stage of the analysis.¹⁹

16 It is perhaps because of these refinements made in *Staywell* that in the years since then, intellectual property practitioners and adjudicators

13 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [15].

14 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [6]–[8].

15 [2006] 2 SLR(R) 690.

16 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [8].

17 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [15].

18 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [20].

19 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [87]–[89].

have taken the decision in *Staywell* to be the *de facto* statement of trade mark law in Singapore for the purposes of determining a likelihood of confusion between competing trade marks. Legal propositions cited and affirmed in *Staywell* have, in the authors' humble opinion, been taken at face value without a deeper consideration of the previous decisions undergirding those propositions, giving rise to the alleged contradiction of principles observed with regards to acquired distinctiveness and its place in the step-by-step approach.

17 We begin by examining the first of the two sets of propositions cited in *Staywell* that give rise to the apparent contradiction.

B. *Distinctiveness according to Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc*

18 It is apposite to set out what distinctiveness actually is. With reference to past authorities, the Court of Appeal in *Staywell* provided the following guidance:²⁰

Distinctiveness in the ordinary and non-technical sense simply refers to what is outstanding and memorable about the mark. Such components tend to draw the consumer's attention, bearing in mind the imperfect recollection of the average customer ...

...

Distinctiveness in the technical sense on the other hand, usually stands in contradistinction to descriptiveness. Where the latter connotes words that describe the goods or services in question, or of some quality or aspect thereof, the former refers to the capacity of a mark to function as a badge of origin. Distinctiveness can be inherent, usually where the words comprising the mark are meaningless and can say nothing about the goods or services; or acquired, where words that do have a meaning and might well say something about the good or services, yet come to acquire the capacity to act as a badge of origin through long-standing or widespread use ...

[original citations omitted]

19 As seen in the passage above, the Court of Appeal in *Staywell* drew a distinction between distinctiveness in the ordinary sense and distinctiveness in a technical sense. Distinctiveness in the technical sense refers to the capacity of a trade mark to function as a badge of origin.²¹ This distinctiveness is understood as the antithesis of descriptiveness,

20 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [23]–[24].

21 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

which connotes words that describe the goods or services in question.²² This has been commonly referred to in subsequent decisions from both the Singapore courts and the Registrar as “technical distinctiveness”.

20 While the use of the phrase “technical distinctiveness” is a fairly recent development in the Singapore trade mark lexicon²³ – it was traditionally referred to as simply “distinctiveness” – the concept is and has always been integral to the law of trade marks, as it lies at the heart of what a trade mark is: a sign which indicates that the goods or services to which it is applied are those of a particular trader, to the exclusion of other traders.²⁴ The concept of technical distinctiveness is enshrined in the Trade Marks Act as trade marks must have a distinctive character in order to be registered²⁵ and references to distinctiveness in the course of this article refers to “technical distinctiveness” unless specifically stated otherwise.

21 It is settled law that distinctiveness can be inherent in a trade mark, which arises from the nature, features and characteristics of the trade mark.²⁶ This is more often referred to as inherent distinctiveness. As observed in *Staywell*, marks are usually inherently distinctive where the words comprising the mark are meaningless and say nothing about the goods or services.²⁷

22 More importantly for the purposes of this article, distinctiveness can also be acquired – where trade marks come to acquire the capacity to act as a badge of origin through long-standing or widespread use.²⁸ This is sometimes referred to as *de facto* distinctiveness, but is often referred to simply as acquired distinctiveness. In other words, due to the distinctive character acquired through the use of the trade mark, the average discerning consumer immediately and readily perceives, recognises or identifies the goods or services in question to originate from a particular trader and from no other.²⁹

22 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

23 See Paul McClelland, “Technical Distinctiveness and the Step-by-step Approach” (2020) 32 SAclJ 74 at 74–79 for a detailed outline of the origin and use of the term “technical distinctiveness” in Singapore trade mark law.

24 See Ng-Loy Wee Loon, “Trade Marks, Language and Culture: The Concept of Distinctiveness and *Publici Juris*” [2009] Sing JLS 508.

25 See Trade Marks Act 1998 (2020 Rev Ed) ss 7(1)(b) and 7(2).

26 *Love & Co Pte Ltd v The Carat Club Pte Ltd* [2009] 1 SLR(R) 561 at [35].

27 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

28 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

29 *Love & Co Pte Ltd v The Carat Club Pte Ltd* [2009] 1 SLR(R) 561 at [36].

C. ***The first “contradictory proposition” in Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc: The Distinctiveness Principles***

23 With the above understanding of acquired distinctiveness, we now arrive at the heart of the controversy, with the first of the two apparently contradictory propositions in *Staywell*.³⁰

Technical distinctiveness is an integral factor in the marks-similarity inquiry (see *Sarika* ([18] *supra*) at [20], *Ozone Community* at [47] and *Polo (CA)* ([8] *supra*) at [36]); a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it (*Sarika* at [36]).

24 The above-cited passage contains two related statements of law: first, that distinctiveness is an integral factor in the marks-similarity inquiry; second, that a trade mark which has greater distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it (collectively, the “Distinctiveness Principles”). It is evident why the two statements are related: if the distinctiveness of a trade mark affects the evaluation of similarity of a competing trade mark, then distinctiveness is integral to the marks-similarity inquiry as a matter of course. To be clear, the distinctiveness to be assessed is that of the trade mark owned by the registered trade mark proprietor alleging marks-similarity, as it determines the threshold for the competing trade mark to be considered dissimilar to it.³¹

25 Several observations can be made on the above-cited passage from *Staywell*. First, when the above-cited passage is read with the guidance in *Staywell* (set out in paragraph 18 above),³² the Court of Appeal’s decision is clear and unambiguous: distinctiveness can be inherent or acquired, and distinctiveness should be factored into the marks-similarity stage of the step-by-step approach. As such, it is clear that the Court of Appeal in *Staywell* held that acquired distinctiveness should be considered at the marks-similarity stage of the step-by-step approach.

26 Second, it is evident from the numerous citations in the above-cited passage that the legal propositions were not new to the Court of

30 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

31 It is well-established and understood that the distinctiveness referred to is the distinctiveness of the registered trade mark, whose proprietor alleges that a competing trade mark is similar to it: see *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [27]; and *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 at [20].

32 See para 18 above.

Appeal in *Staywell* as they simply were not new to Singapore law. The Distinctiveness Principles have been a feature of the current trade marks regime³³ since the 2005 High Court decision in *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd*³⁴ (“*Polo (HC)*”), where the High Court rejected the global assessment approach in favour of the step-by-step approach, and considered the distinctiveness of the plaintiff’s “POLO” mark when determining the similarity between “POLO” and the defendant’s “POLO PACIFIC” mark:³⁵

In the present case, the differences are obvious: the addition of the word ‘PACIFIC’ together with the sign’s different font and design. The question, then, is whether these differences are enough so as not to capture the distinctiveness of the registered mark. In order to decide this, I first have to consider whether the plaintiff’s mark can be considered to be so distinctive that the differences would not negate the similarity. This is an important issue because a more distinct mark generally receives greater protection ...

The High Court went on to consider witness evidence as to how the plaintiff’s “POLO” mark was used and advertised, eventually concluding that as “POLO” was always used in conjunction with another trade mark, the distinctiveness of the “POLO” mark was diminished.³⁶

27 The above statement of principles and approach adopted by the High Court were endorsed on appeal in *Polo (CA)*, where the Court of Appeal quoted the above passage with approval,³⁷ and went on to consider the acquired distinctiveness of the appellant’s “POLO” word mark when assessing the similarity of the parties’ trade marks.³⁸

28 In subsequent decisions, the Singapore courts continued to consider acquired distinctiveness at the marks-similarity stage and endorsed the Distinctiveness Principles.

29 In the 2010 decision of *Ozone Community Corp v Advance Magazine Publishers Inc*³⁹ (“*Ozone*”), the High Court reviewed *Polo (HC)* and *Polo (CA)* and concluded that “the distinctiveness in an earlier trade mark is an important factor to be considered in the inquiry into the

33 The “current trade marks regime” refers to trade mark law established with respect to the Trade Marks Act 1998 enacted in 1999 and its subsequent amendments.

34 [2005] 4 SLR(R) 816.

35 *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [27].

36 *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [29].

37 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [10]–[11].

38 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [23]–[24].

39 [2010] 2 SLR 459.

similarity between the trade marks under s 8(2)(b) [of the Trade Marks Act] and is not confined to the analysis of the likelihood of confusion”.⁴⁰ The High Court went on to consider the acquired distinctiveness of the registered trade mark and evidence of sales of products bearing the registered trade mark.⁴¹

30 In the 2013 decision of *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd*⁴² (“*Hai Tong*”), the Court of Appeal endorsed the Distinctiveness Principles.⁴³ The Court of Appeal further endorsed several factors as non-exhaustive indicia as to whether a trade mark had acquired distinctiveness for consideration at the marks-similarity stage:⁴⁴

- (a) the market share held by the registered trade mark;
- (b) the nature of its use (whether or not it was intensive, widespread and long-standing);
- (c) the amount invested in promoting the [trade] mark;
- (d) the proportion of the relevant class of individuals who identified goods sold under the trade mark as emanating from a particular source; and
- (e) any statements from trade associations and chambers.

31 It is the authors’ view that the Court of Appeal in *Staywell* was not reinventing the proverbial wheel when it stated the Distinctiveness Principles set out in paragraph 23 above. In that passage, the Court of Appeal was merely restating the settled law in Singapore relating to acquired distinctiveness, the position being as such: that the acquired distinctiveness of the trade mark owned by the party alleging marks-similarity can and should be considered at the marks-similarity stage, as the distinctiveness of the trade mark determines the threshold for the similarity of a competing trade mark.

40 *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 2 SLR 459 at [43]–[47].

41 *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 2 SLR 459 at [70]–[72].

42 [2013] 2 SLR 941.

43 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [26] and [30].

44 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [33].

D. *The second “contradictory proposition” in Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc: The External Matter Prohibition*

32 When setting out the principles regarding marks-similarity, the Court of Appeal in *Staywell* stated the following:⁴⁵

Finally, on this issue, we reiterate that the assessment of marks similarity is mark-for-mark without consideration of any external matter: see *Mediacorp* at [33], *Sarika* at [17] and *Hai Tong* at [40(b)].

33 The legal principle established in the above passage (henceforth referred to as the “External Matter Prohibition”) is unambiguous, self-explanatory, and is entirely logical in the context of the step-by-step approach. If the various aspects of the step-by-step approach are to be neatly delineated, then the stage assessing marks-similarity should be reserved for a mark-for-mark comparison and nothing else. An example of the External Matter Prohibition’s application can be found in the recent 2021 High Court decision *TMRG Pte Ltd v Caerus Holding Pte Ltd*,⁴⁶ where the High Court endorsed the External Matter Prohibition⁴⁷ and evaluated the similarity of the competing trade marks solely on the basis of their visual, aural and conceptual similarities.⁴⁸

34 Similar to the Distinctiveness Principles, the rule that marks-similarity should be assessed mark-for-mark without consideration of any external matter is a well-established proposition in Singapore trade mark law, having been endorsed and applied repeatedly by the High Court and Court of Appeal alike.⁴⁹

E. *The alleged contradiction between the Distinctiveness Principles and the External Matter Prohibition*

35 The controversial contradiction at the heart of this article appears to arise only when the Distinctiveness Principles and the External Matter Prohibition are read together. For ease of reference, the passages

45 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [20].

46 [2021] SGHC 163.

47 *TMRG Pte Ltd v Caerus Holding Pte Ltd* [2021] SGHC 163 at [24].

48 *TMRG Pte Ltd v Caerus Holding Pte Ltd* [2021] SGHC 163 at [27]–[63].

49 See *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40(b)]; *Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA* [2013] 1 SLR 531 at [17]; *MediaCorp News Pte Ltd v Astro All Asia Networks plc* [2009] 4 SLR(R) 496 at [33]; and *Caterpillar Inc v Ong Eng Peng* [2006] 2 SLR(R) 669 at [55].

in *Staywell* setting out the Distinctiveness Principles and the External Matter Prohibition are reproduced below:

(a) Distinctiveness Principles: “Technical distinctiveness is an integral factor in the marks-similarity inquiry; a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it.”⁵⁰ [original citations omitted]

(b) External Matter Prohibition: “Finally, on this issue, we reiterate that the assessment of marks similarity is mark-for-mark without consideration of any external matter ...”⁵¹ [original citations omitted]

36 As established earlier, the assessment of acquired distinctiveness – itself a means of establishing distinctiveness – involves the evaluation of evidence such as, *inter alia*, the market share held by the registered trade mark, the nature of the trade mark’s use, as well as amounts invested in promoting the trade mark.⁵² If one were to consider such evidence as matters external to the trade mark, then it would appear that the External Matter Prohibition acts against the consideration of such matters at the mark-similarity stage. However, this conclusion flies squarely in the face of the Distinctiveness Principles, namely that distinctiveness is an integral factor in the marks-similarity inquiry. Therein lies the apparent contradiction.

37 This alleged contradiction first arose in *Beats Electronics, LLC v LG Electronics Inc*⁵³ (“*Beats*”), albeit in relation to distinctiveness as a whole and not just acquired distinctiveness. In *Beats*, the IP Adjudicator held that, as a result of the External Matter Prohibition in *Staywell*, the distinctiveness of the registered trade mark had to be considered in the abstract, without reference to the goods and services for which the trade mark is registered. As such, the Opponent’s argument that its registered trade mark had inherent distinctiveness in relation to the registered goods was found by the IP Adjudicator to have no bearing in the marks-similarity assessment.⁵⁴ The IP Adjudicator consequently found that the trade marks in question were dissimilar, and the registered trade mark proprietor failed in its opposition.⁵⁵

50 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

51 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [20].

52 See paras 29–30 above.

53 [2016] SGIPOS 8.

54 *Beats Electronics, LLC v LG Electronics Inc* [2016] SGIPOS 8 at [22].

55 *Beats Electronics, LLC v LG Electronics Inc* [2016] SGIPOS 8 at [22].

38 Some have commented that the interpretation of *Staywell* in *Beats* appeared to run counter to the long-established principle that the marks-similarity assessment is conducted from the viewpoint of the average consumer:⁵⁶

If we accept the principle that there is a link between distinctiveness and marks-similarity, we should allow the full measure of distinctiveness – which includes factual/acquired distinctiveness along with well-knownness – to be relevant towards the issue of marks-similarity. Fame and distinctiveness are, after all, entwined. Distinctiveness has to do with recognition of a mark as a source identifier; it harks back to the fundamental purpose of a trademark to enable a consumer to recognise goods as being from one trader rather than another.

39 This impact of the decision in *Beats* appears to have been addressed in a subsequent opposition proceeding before the Registrar. In *Monster Energy Company v Mixi, Inc*⁵⁷ (“*Mixi*”), the Principal Assistant Registrar (“PAR”) held that *Staywell* should not be read for the proposition that distinctiveness is to be considered in the abstract without reference to the goods and services for which the trade mark is registered:⁵⁸

With respect to the learned IP Adjudicator’s decision in *Beats*, I do not read *Staywell* at [20] as standing for the proposition that the technical distinctiveness at the marks-similarity stage is confined to an abstract assessment only. Pertinently, later in the *Staywell* decision, and in the context of aural similarity, the Court of Appeal stated (at [31]) that: ‘At least in relation to hotels and hospitality services, “Regis” enjoys a substantial degree of technical distinctiveness’ ... To my mind, this shows that technical distinctiveness (in the marks-similarity assessment) is not necessarily confined to technical distinctiveness in the abstract. The services (or goods) *can* be taken into account insofar as they relate to distinctiveness. [emphasis in original]

40 Subsequent High Court and Court of Appeal decisions appear to confirm that the reading of *Staywell* in *Mixi* is the correct one,⁵⁹ and it appears that this interpretation of *Staywell* in *Beats* was laid to rest.

56 Alban Kang & Gene Kwek, “Stepping to Different Beats: How the ‘Step-by-step’ Test Led to Different Outcomes for Apple’s ‘Beats’ Trademark in Singapore and Australia” *Who’s Who Legal* (24 July 2018) <<https://whoswholegal.com/features/stepping-to-different-beats-how-the-step-by-step-test-led-to-different-outcomes-for-apples-beats-trademark-in-singapore-and-australia>> (accessed 5 August 2022). See also *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [34]; and *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40(c)].

57 [2017] SGIPOS 12.

58 *Monster Energy Company v Mixi, Inc* [2017] SGIPOS 12 at [35].

59 See for instance, *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 at [41]; and *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165 at [93]–[94].

41 However, the *Beats* decision demonstrated the potential for how legal uncertainty could be read into *Staywell*, as well as the potentially dire consequences of reading the External Matter Prohibition widely without deeper consideration of the authorities that preceded (and were endorsed in) *Staywell*. The seeds of a schism as to how acquired distinctiveness under the step-by-step approach was to be applied had been planted.

42 The alleged contradiction between the Distinctiveness Principles and the External Matter Prohibition specifically in relation to acquired distinctiveness was first highlighted in the 2016 High Court decision *Polo/Lauren Co LP v United States Polo Association*⁶⁰ (“*Polo (2016)*”). When assessing the marks-similarity, the High Court recognised the tension between the principles, and expressed the view that acquired distinctiveness should not be considered at the marks-similarity stage.⁶¹

I note at the outset that the factoring of acquired distinctiveness at the marks-similarity stage appears to be at odds with the Court of Appeal’s finding in *Staywell* at [20] that ‘the assessment of marks similarity is mark-for-mark without consideration of any external matter’ ... **Rather, the effect of acquired distinctiveness should be left for the confusion stage of the inquiry, when the court assesses ‘the effect of objective similarity between the marks, on the perception of consumers.’** [emphasis in italics in original; emphasis in bold added]

43 Unfortunately, as the propriety of considering acquired distinctiveness at the marks-similarity stage was not challenged by either party, the High Court proceeded to consider the plaintiff’s submissions on the basis that it was appropriate to consider acquired distinctiveness at the marks-similarity stage without any further discussion as to whether this was indeed the approach endorsed in *Staywell*.⁶²

44 Since then, many trade mark proprietors have attempted to rely on the acquired distinctiveness of their trade marks to argue that their trade marks enjoy greater distinctiveness, and therefore by virtue of the Distinctiveness Principles in *Staywell*, that their trade marks set a high threshold before a competing sign would be considered dissimilar to their’s.⁶³ While there have been recent decisions from the High Court which appear to decide this issue,⁶⁴ there has not been a High Court decision since *Polo (2016)* that has expressly discussed the alleged contradiction. Consequently, the Registrar has had to grapple with the

60 [2016] 2 SLR 667.

61 *Polo/Lauren Co LP v United States Polo Association* [2016] 2 SLR 667 at [28].

62 *Polo/Lauren Co LP v United States Polo Association* [2016] 2 SLR 667 at [29].

63 *Clarins Fragrance Group v BenQ Materials Corp* [2018] SGIPOS 2 at [24].

64 See for example, *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165.

alleged contradiction in *Staywell*,⁶⁵ with several of those presiding over the hearings even explicitly proclaiming that guidance from the courts is needed.⁶⁶

45 In time, a schism materialised, with decisions from the Registrar diverging on this issue depending on the specific individual hearing the dispute. Further, the existence of this schism has been noted and identified in recent discussions on Singapore trade mark law.⁶⁷

46 As summarised by the learned PAR Ong in *GCIH Trademarks Limited v Hardwood Private Limited*⁶⁸ (“*GCIH*”) and again by the learned PAR Lim in *Twitter, Inc v V V Technology Pte Ltd*⁶⁹ (“*Twitter*”), there are two broad categories along which the opinion is divided: those who are of the view that acquired distinctiveness should be considered in the marks-similarity assessment, and those who do not.

47 The primary justification for considering acquired distinctiveness at the marks-similarity stage is that acquired distinctiveness is relevant to an average consumer’s perception of the trade marks in question, and as such should be factored into the marks-similarity analysis.⁷⁰

48 Conversely, the justification for not considering acquired distinctiveness is that the External Matter Prohibition in *Staywell* prohibits the consideration of acquired distinctiveness in the marks-similarity assessment, and that acquired distinctiveness should not be considered at the marks-similarity analysis to preserve a common-sense comparison of mark-for-mark.⁷¹

65 See *Clarins Fragrance Group v BenQ Materials Corp* [2018] SGIPOS 2 at [20]–[26]; *Monster Energy Company v NBA Properties, Inc* [2018] SGIPOS 16 at [14]–[18]; *Louis Vuitton Malletier v Human Horizons Holding (Shanghai) Co, Ltd* [2021] SGIPOS 13 at [21]–[32]; *GCIH Trademarks Limited v Hardwood Private Limited* [2021] SGIPOS 6 at [103]–[112]; *Combe International Ltd v Dr August Wolff GmbH & Co KG Arzneimittel* [2021] SGIPOS 10 at [25]–[30]; and *Twitter, Inc v V V Technology Pte Ltd* [2022] SGIPOS 4 at [55]–[62].

66 See *Clarins Fragrance Group v BenQ Materials Corp* [2018] SGIPOS 2 at [24]; and *Twitter, Inc v V V Technology Pte Ltd* [2022] SGIPOS 4 at [62].

67 See Paul McClelland, “Technical Distinctiveness and the Step-by-step Approach” (2020) 32 SAclJ 74 at 86–89; and Lim Siau Wen & Teo Xuan Lang, “The Role of Acquired Distinctiveness in the Marks-Similarity Analysis” (2020) SAL Prac 9.

68 [2021] SGIPOS 6 at [108]–[112].

69 [2022] SGIPOS 4 at [55].

70 *GCIH Trademarks Limited v Hardwood Private Limited* [2021] SGIPOS 6 at [109].

71 *GCIH Trademarks Limited v Hardwood Private Limited* [2021] SGIPOS 6 at [111]–[112].

49 It is regrettable that the application of acquired distinctiveness in the step-by-step approach following *Staywell*, envisaged as a conceptually neat and systematic approach to Singapore trade mark law, should vary depending on the individual or court hearing the matter and their opinions as to how acquired distinctiveness should be applied under the step-by-step approach. The legal uncertainty faced by practitioners and their clients is undesirable and clearly not something envisaged post-*Staywell*.

III. Singapore law had already established that acquired distinctiveness was to be considered during the marks-similarity stage prior to *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc*

50 The solution to the legal uncertainty illustrated in the foregoing paragraphs would be for acquired distinctiveness to be considered in the marks-similarity assessment. For ease of reference, the allegedly contradictory principles are reproduced below:

(a) Distinctiveness Principles: “Technical distinctiveness is an integral factor in the marks-similarity inquiry; a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it.”⁷² [original citations omitted]

(b) External Matter Prohibition: “Finally, on this issue, we reiterate that the assessment of marks similarity is mark-for-mark without consideration of any external matter ...”⁷³ [original citations omitted]

51 As set out in paragraph 36 above, the crux of the alleged contradiction in the principles reproduced above is the proposition that acquired distinctiveness is an external matter that falls afoul of the External Matter Prohibition. The authors are of the view that acquired distinctiveness is not external matter and is, in fact, part of the mark-for-mark comparison. This would entirely resolve the contradiction between the principles reproduced above.

52 The authors are of the view that this approach is the most accurate statement of Singapore trade mark law, and is consistent with

72 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

73 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [20].

the conceptual underpinnings of the step-by-step approach. Both aspects will now be examined in turn.

A. *The contradiction is an illusion*

53 More imagined than real, this contradiction in Singapore trade mark law is, in the authors' view, more of an illusion than an actual reflection of the law.

54 As earlier established in paragraphs 36 and 51 above, the crux of the contradiction is the proposition that acquired distinctiveness is external matter that falls afoul of the External Matter Prohibition. The decision in *Staywell* does not provide a definitive answer as to whether this is (or is not) the case as on its facts, the Court of Appeal did not consider whether or not the registered trade mark in question had acquired distinctiveness.

55 However, the Distinctiveness Principles and the External Matter Prohibition were not invented by the Court of Appeal in *Staywell* in a vacuum – both were already well-established principles that had been endorsed and employed many times in Singapore.⁷⁴ As such, both the Distinctiveness Principles and the External Matter Prohibition as set out in *Staywell* should be read in context with the decisions that came prior to it, particularly the prior decisions that were endorsed by *Staywell* with respect to the marks-similarity assessment.

56 In particular, the decision in *Hai Tong* endorses both the Distinctiveness Principles⁷⁵ and the External Matter Prohibition,⁷⁶ and was cited favourably by the Court of Appeal in *Staywell* with reference to the same two propositions.⁷⁷ As mentioned earlier in paragraph 30, the Court of Appeal in *Hai Tong* even went as far as to set out a non-exhaustive list of factors as to how acquired distinctiveness could be established,⁷⁸ and on its facts considered evidence relating to the registered trade mark's acquired distinctiveness at the marks-similarity assessment, including sales figures and advertising.⁷⁹ While the Court of Appeal in *Hai Tong* held that it was ultimately unnecessary to consider whether the registered trade mark had acquired distinctiveness as the trade mark had

74 See paras 23–34 above.

75 See *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [26]–[30].

76 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40(b)].

77 See *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25] and [30].

78 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [33].

79 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [34].

sufficient inherent distinctiveness,⁸⁰ the Court of Appeal in *Hai Tong* did not preclude the consideration of acquired distinctiveness, nor did it cite the External Matter Prohibition as a bar to doing so even though the External Matter Prohibition was endorsed and cited as a well-established principle in its decision.⁸¹

57 Similarly in the High Court decision of *Ozone*, both the Distinctiveness Principles and the External Matter Prohibition were endorsed as part of Singapore law.⁸² The High Court went on to consider evidence of the acquired distinctiveness of the plaintiff's trade mark at the marks-similarity assessment, including invoices proving the distribution of magazines bearing the trade mark in Singapore.⁸³ Throughout the High Court's analysis in *Ozone*, there was no mention of any circumvention of the External Matter Prohibition. More notably, *Ozone* was cited with approval in *Staywell* in support of the Distinctiveness Principles, with no criticism of *Ozone*'s consideration of acquired distinctiveness.

58 It is the authors' view that *Hai Tong* and *Ozone* stand for the proposition that acquired distinctiveness of the registered trade mark in question and evidence proving the same are not considered matters external to the trade mark – they are matters relevant to the mark-for-mark comparison in the first stage of the step-by-step approach.

59 As both *Hai Tong* and *Ozone* were cited with approval in *Staywell*, it can be argued that the same interpretation can be applied to the decision in *Staywell*: acquired distinctiveness is part of the mark-for-mark comparison and is not a matter external to the trade mark. When read in that light, there is really no contradiction in *Staywell* with respect to this aspect of the decision.

60 The above reading of *Staywell* is congruent with the law on the distinctiveness of a trade mark for the purposes of trade mark registration. As mentioned in paragraph 20 above, a trade mark must have a distinctive character in order to be registered.⁸⁴ It is well-established that the distinctive character of a trade mark can be acquired through use so as to qualify for registration, by showing that, on an overall assessment of evidence submitted to the Registrar, that a significant proportion of the relevant class of persons relied upon the trade mark on its own as indicating that the goods or services in question originated from a

80 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [35].

81 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40(b)].

82 *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 2 SLR 459 at [47] and [50].

83 *Ozone Community Corp v Advance Magazine Publishers Inc* [2010] 2 SLR 459 at [70].

84 See Trade Marks Act 1998 (2020 Rev Ed) ss 7(1)(b) and 7(2).

particular trader.⁸⁵ Accordingly, the fact that a trade mark applicant can rely on evidence of the trade mark's use to establish that the trade mark has acquired a distinctive character strongly supports the proposition that whether a trade mark has acquired distinctiveness is not a matter external to the trade mark.

61 It is notable that the recent High Court decision *Digi International Inc v Teraoka Seiko Co, Ltd*⁸⁶ (“*Digi*”) appears to endorse the view that there is indeed no contradiction as the External Matter Prohibition does not preclude the consideration of acquired distinctiveness. While setting out the key principles relevant to determining the similarity of competing trade marks, the High Court stated the External Matter Prohibition as one of the key principles.⁸⁷ After deciding that the opponent's trade mark had a low degree of inherent distinctiveness, the High Court went on to evaluate whether the trade mark had acquired distinctiveness through use, using the factors set out in *Hai Tong* in paragraph 30 above.⁸⁸ In the course of its decision, the High Court did not consider itself to have circumvented the External Matter Prohibition.

62 To conclude, the authors wish to shine light on the following statement from the IP Adjudicator Sheik Umar bin Mohamed Bagusair in *Combe International Ltd v Dr August Wolff GmbH & Co KG Arzneimittel*:⁸⁹

I would be cautious about holding that earlier rulings of the Court of Appeal are no longer good law because they appear to contradict more recent rulings of the Court of Appeal, unless the position is explicitly clear. The situation is far from clear in this case and it cannot be said with certainty that the effect of the pronouncements in *Staywell* at [20] meant that the principles in *Hai Tong* at [33] are no longer good law.

We respectfully agree.

B. As a matter of principle, acquired distinctiveness should be considered at the marks-similarity stage

64 A key conceptual concern that militates against the consideration of acquired distinctiveness at the marks-similarity stage was elucidated

85 *In the matter of a Trade Mark Application by Floor Xpert Pte Ltd* [2022] SGIPOS 9 at [17]; *Société des Produits Nestlé SA v Petra Foods Ltd* [2017] 1 SLR 35 at [51].

86 [2021] SGHC 165.

87 *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165 at [86].

88 *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165 at [103]–[119].

89 [2021] IPOS 10 at [30].

by the learned PAR Ong in *GCIH*, where he considered the External Matter Prohibition as stated in *Staywell*:⁹⁰

... [T]he [*Staywell*] test draws a distinction between the issue of resemblance (which is what the marks-similarity first stage is all about) and the effect of objective similarity on the perception of consumers (which is fundamentally a likelihood of confusion issue ...

...

... [D]istinctiveness appears to blur the distinction drawn in *Staywell* between the issue of resemblance and the effect of resemblance because, by nature, distinctiveness has to be assessed through the lens of the relevant public.

65 The contention appears to be as follows: inherent and acquired distinctiveness have an effect on both the resemblance between the marks as well as the *effect* of the resemblance on the public. As the effects of the trade marks' resemblance on the public should be considered at the confusion inquiry, acquired distinctiveness should only be considered at that stage so as to preserve the conceptual clarity of the step-by-step approach.⁹¹

66 With respect, the authors take the contrary view: that the consideration of the acquired distinctiveness of the registered trade mark actually preserves the conceptual clarity of the step-by-step approach. We will explain below.

67 Under the step-by-step approach, the marks-similarity assessment is where the marks are compared for their visual, aural and conceptual similarity, based on the overall impression created by the trade marks and bearing in mind their distinctive and dominant components.⁹² Ultimately, the marks-similarity assessment is intended to ascertain whether the trade marks as a whole are similar, from the perspective of an average consumer who has imperfect recollection.⁹³

68 The importance of consumer perception is deeply embedded into how the Singapore courts have traditionally assessed marks-similarity. In *Staywell*, the Court of Appeal held that the applicant's "PARK REGIS" mark and the opponents' "ST. REGIS" mark shared conceptual similarity as both names often evoke the idea of a geographical location when used in a Singapore context. For the "ST. REGIS" mark, the most common

90 *GCIH Trademarks Limited v Hardwood Private Limited* [2021] SGIPOS 6 at [105]–[106].

91 *Clarins Fragrance Group v BenQ Materials Corp* [2018] SGIPOS 2 at [25].

92 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [26].

93 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [40(c)]–[40(d)].

manifestation of saintly names in Singapore is in relation to places such as schools, condominiums or other public places. As for the “PARK REGIS” mark, the word “PARK” also connotes the idea of a geographical location.⁹⁴

69 This importance of consumer perception also manifests in cases where the trade mark contains words in languages that are not commonly used in Singapore. In such cases, the courts often determine whether the average consumer in Singapore would be aware of the foreign word’s meaning. In *Sociedad Anonima Damm v Hijos de Rivera, SA*⁹⁵ (“*Sociedad*”), the IP Adjudicator had to determine the similarity between the applicant’s “ESTRELLA GALICIA” and the opponent’s “ESTRELLA DAMM” marks. While the marks shared the word “ESTRELLA”, which is a Spanish word meaning “star”, the IP Adjudicator held the opponent’s “ESTRELLA DAMM” mark was comprised of Spanish words that would not be readily understood by most Singaporeans, and would be perceived by the average consumer as invented and meaningless words in the context of beer.⁹⁶

70 In a similar vein to both of the above illustrations in *Staywell* and *Sociedad*, acquired distinctiveness belongs at the marks-similarity assessment, as the acquired distinctiveness of a trade mark greatly affects the average consumer’s perception of it. When a trade mark has a high degree of acquired distinctiveness, this means that the trade mark functions as a strong badge of origin.⁹⁷ The stronger a trade mark acts as an indicator of origin, the more likely another sign which shares some similarity to the trade mark in question would be viewed by an average consumer to be similar.

71 Further, as held in *Staywell*, the distinctiveness (in the technical sense) of a component of a trade mark has a bearing as to whether that component is found to be the dominant and distinctive (in the ordinary sense)⁹⁸ component of the trade mark which stands out in the average consumer’s imperfect recollection, this being pertinent to the marks-similarity assessment.⁹⁹ As acquired distinctiveness is a facet of distinctiveness (in the technical sense), it would also have an effect on

94 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [37].

95 [2022] SGIPOS 6.

96 *Sociedad Anonima Damm v Hijos de Rivera, SA* [2022] SGIPOS 6 at [43].

97 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [24].

98 See para 18 above.

99 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [23] and [28].

the average consumer's imperfect recollection, and is therefore relevant during the marks-similarity assessment.

72 The above concepts are deeply embedded within the marks-similarity assessment, as can be illustrated by how the Singapore courts have approached it when dealing with trade marks that share a common element.

73 In *Polo (HC)*, the High Court considered the similarity between the defendant's "POLO PACIFIC" mark and the plaintiff's "POLO" mark and began by evaluating the inherent and acquired distinctiveness of "POLO", holding that it had low inherent distinctiveness by virtue of being a common everyday word and had not acquired distinctiveness through use.¹⁰⁰ Consequently, the High Court held that the addition of the word "PACIFIC" and the different font and design was sufficient to render the applicant's "POLO PACIFIC" mark sufficiently dissimilar from the "POLO" mark.¹⁰¹ Notably, the High Court stated the following about the dissimilarity of the trade marks:¹⁰²

As such, the differences between the plaintiff's mark and the defendant's sign are sufficient so that the latter does not capture the distinctiveness of the registered mark and is therefore not similar to the defendant's [plaintiff's] mark.

74 The above approach taken by *Polo (HC)* for trade marks that share a common element was not disturbed on appeal,¹⁰³ and was subsequently endorsed in *Staywell*¹⁰⁴ and more recently in the Court of Appeal's decision in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd*¹⁰⁵ ("*Ceramiche*").

75 It is therefore clear that when evaluating the similarity of trade marks, the Singapore courts are primarily concerned with whether the distinctiveness of the registered trade mark was captured by the competing trade mark. This reinforces the notion that the distinctiveness of the registered trade mark is critical to the marks-similarity assessment.

100 *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [28]–[29].

101 *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [27].

102 *Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2005] 4 SLR(R) 816 at [28].

103 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [24].

104 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [23] and [27].

105 [2017] 2 SLR 308 at [30].

Indeed, it is generally accepted in Singapore trade mark law that the place for inherent distinctiveness is in the marks-similarity stage.¹⁰⁶

76 Given that inherent distinctiveness and acquired distinctiveness are both different means for a trade mark to be deemed distinctive, acquired distinctiveness should not be confined to the likelihood of confusion stage. The fact that acquired distinctiveness *may* also play a role in the effect of the trade marks' resemblance to the public should not preclude its primary consideration at the marks-similarity stage. After all, while the degree of the trade marks' similarity is a significant consideration in the likelihood of confusion stage,¹⁰⁷ the step-by-step approach still considers marks-similarity as the first step of the analysis.

IV. Conceptual difficulties relating to acquired distinctiveness that arise in the step-by-step approach

77 Part III has demonstrated why the consideration of acquired distinctiveness at the marks-similarity stage of the step-by-step approach is both correct at law and in principle. Further clarification from the Singapore courts is, in the authors' view, not required, as there is in fact no real contradiction between the Distinctiveness Principles and the External Matter Prohibition as set out in *Staywell*.

78 However, that is not to say that clarification from the Singapore courts in relation to this area of trade mark law is no longer necessary. This Part will highlight two issues that require clarification and guidance from the Singapore courts and the authors' proposed resolutions of the same, in the hope that they will be addressed and answered by the courts in the near future.

A. *The conceptual overlap between acquired distinctiveness and reputation*

79 The concept of a trade mark's reputation has yet to be clearly defined in Singapore case law for the purposes of the confusion inquiry, but generally appears to refer to the level of fame the trade mark in question has amongst the public. Under Singapore law, the trade marks'

106 To the authors' knowledge, apart from *Beats Electronics, LLC v LG Electronics Inc* [2016] SGIPOS 8, there has not been a decision in Singapore, whether from the Registrar or the Singapore courts, that has not considered the inherent distinctiveness of the registered trade mark at the marks-similarity assessment. See paras 37–40 above.

107 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [96(a)].

reputation is generally considered a factor in the confusion inquiry.¹⁰⁸ In practice, the reputations of both competing trade marks are evaluated at this stage.¹⁰⁹ Notably, case law provides that the effect of the reputation of the registered trade mark on the confusion inquiry is equivocal and highly dependent on the facts.¹¹⁰ In some cases, a high degree of reputation of the registered trade mark would lead the courts to find that there is confusion with the competing trade mark.¹¹¹ In other cases, the reputation of the registered trade mark would mean that the average consumer is more discerning of the details that comprise that mark and the differences present in a competing trade mark, thereby reducing the likelihood of confusion.¹¹²

80 While the law on the effect of a trade mark's reputation on the step-by-step approach is fairly uncontroversial, problems arise when reputation is discussed in concert with acquired distinctiveness, namely: what is the difference between the acquired distinctiveness of a trade mark and the reputation of a trade mark? On close scrutiny, they appear to be different terms that refer to the same idea.

81 The factual bases and evidence that would be proffered to show that a trade mark has acquired distinctiveness – evidence of sales, advertising campaigns, and so on – have also been used to prove that a trade mark has reputation.¹¹³ Indeed, even in the guidelines issued by the Registrar for establishing acquired distinctiveness for the purposes of obtaining a trade mark registration, the terms “reputation” and “acquired distinctiveness” appear to be used interchangeably:¹¹⁴

... The use of the mark should be continuous. If the use has not been continuous, the *reputation* of the trade mark may have been diminished. Therefore, the

108 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [96(a)].

109 See, for example, *Swatch AG (Swatch SA) (Swatch Ltd) v Apple Inc* [2019] SGIPOS 1 at [86]–[89].

110 See *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [96(a)]; and *Mobil Petroleum Co, Inc v Hyundai Mobis* [2010] 1 SLR 512 at [74].

111 *The Polo/Lauren Co, LP v Shop In Department Store Pte Ltd* [2006] 2 SLR(R) 690 at [34]; *Combe International Ltd v Dr August Wolff GmbH & Co KG Arzneimittel* [2022] SGHC 78 at [71].

112 See *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177; and *Rovio Entertainment v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618.

113 See para 30 above. See also *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 at [52].

114 *Evidence of Distinctiveness Acquired Through Use* (Intellectual Property Office of Singapore, November 2015) <https://www.ipos.gov.sg/docs/default-source/resources-library/trade-marks/infopacks/tm_work-manual_6-evidence-of-use_nov2015-v2.pdf> (accessed 9 June 2022).

Registrar will consider how the break in use may have affected the *reputation* of the mark applied for. For example, if the sales were very good before and after the break, it might suggest to the Registrar that the *distinctiveness acquired* before the break had not been lost.

...

Evidence should include the date in which use of the mark first commenced and must relate to continuous use before the date of filing. If use of the mark is not continuous, the mark may not be considered *sufficiently distinctive*, as *reputation* in the mark may not have been built up.

[emphasis added in italics]

82 If acquired distinctiveness and reputation are interchangeable concepts, that would create definitional issues that would undermine the conceptual clarity of the step-by-step approach as defined in *Staywell*. For one, *Staywell* explicitly states that the trade marks' reputation should be considered in the confusion inquiry,¹¹⁵ which appears to fly in the face of the Distinctiveness Principles and the consideration of acquired distinctiveness at the marks-similarity stage.

83 Further, as stated in paragraph 44 above, trade mark proprietors often attempt to argue that their trade mark has acquired distinctiveness, and therefore should enjoy a high threshold before a competing sign would be considered dissimilar to it.¹¹⁶ Should there be no distinction between acquired distinctiveness and reputation, trade mark proprietors would be entitled to disguise arguments based on the reputation of their trade mark as arguments establishing the acquired distinctiveness of their trade mark. This would open the door for irrelevant reputation-based considerations to enter the marks-similarity assessment even though *Staywell* stipulated that these considerations should only be considered at the confusion inquiry.¹¹⁷

84 Finally, as elucidated by the learned PAR Lim in *Twitter*, acquired distinctiveness and reputation may act in conflicting directions on the similarity and/or confusion between two trade marks.¹¹⁸

First, as noted above, a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it (*Staywell* at [25]). However, if acquired distinctiveness is only taken into

115 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [96(a)].

116 *Clarins Fragrance Group v BenQ Materials Corp* [2018] SGIPOS 2 at [24].

117 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [96(a)].

118 *Twitter, Inc v V V Technology Pte Ltd* [2022] SGIPOS 4 at [60].

account at the likelihood of confusion stage, the reputation of the Opponent's Mark may often make it less likely that consumers will be confused ...

85 Due to the dearth of post-*Staywell* Singapore decisions which discuss reputation as part of the confusion inquiry in detail, let alone its relationship with acquired distinctiveness, case law does not provide a clear answer to this issue. The authors suggest that this knot can be untied by differentiating the concepts of acquired distinctiveness and reputation in the following manner.

86 Acquired distinctiveness – earlier defined as the capacity of a trade mark to function as a badge of origin acquired through longstanding or widespread use¹¹⁹ – is a more specific concept than reputation, which simply refers to the fame of the trade mark.

87 A review of Singapore decisions that discuss reputation at the confusion inquiry reveals that there are certain types of considerations that would not be considered when evaluating acquired distinctiveness, but can be considered when evaluating the reputation of the trade marks.

88 One such consideration is the reputation of a trade mark gained from the use of other trade marks that are related to it, and not just from the use of the trade mark itself. In *McDonald's Corp v Future Enterprises Pte Ltd*,¹²⁰ the Court of Appeal held that the opponent's trade marks beginning with the prefix "Mc" like "McDonald's", "McNuggets" and "McChicken" had collectively acquired substantial reputation in the "Mc" prefix in the fast food market, and that this was a relevant consideration in the confusion inquiry.¹²¹ Conversely, attempts to convince the court that a related trade mark's acquired distinctiveness enhances the distinctiveness of the trade mark in question are generally unsuccessful, as the Distinctiveness Principles only extends to distinctiveness acquired through use of the trade mark itself, and not related trade marks.¹²²

89 A second consideration is whether the goods and services for which a trade mark has developed a reputation in overlaps with the goods and services of the competing trade mark. In *Consolidated Artists BV v THEFACESHOP Co, Ltd*,¹²³ the PAR evaluated the reputation of the opponent's registered trade marks and held that the registered

119 See para 22 above.

120 [2005] 1 SLR(R) 177.

121 *McDonald's Corp v Future Enterprises Pte Ltd* [2005] 1 SLR(R) 177 at [52].

122 See para 30 above, and for example, *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 at [32]–[46]; see also *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] 5 SLR 618 at [53]–[72].

123 [2017] SGIPOS 7.

trade marks' reputation did not extend to the goods and services that overlapped with the applicant's trade mark, rejecting the opponent's claim for reputation.¹²⁴ As far as acquired distinctiveness pertains to the marks-similarity inquiry, the presence of an overlap in goods and services which the distinctiveness was acquired in with the goods and services of the competing trade mark does not appear to be a relevant consideration.¹²⁵

90 It is therefore clear that both of the above considerations are not considerations that establish acquired distinctiveness of the trade mark. Therefore, they should not be considered at the marks-similarity stage of the step-by-step approach. This is consistent with the well-established understanding of acquired distinctiveness as set out in *Hai Tong*,¹²⁶ as well as the Registrar's guidelines for establishing acquired distinctiveness for the purposes of obtaining a trade mark registration.¹²⁷

91 Consequently, as the above considerations are irrelevant to acquired distinctiveness, but would be considered when evaluating reputation, it is possible to draw a conceptual distinction between acquired distinctiveness and reputation in Singapore trade mark law. As such, the authors submit that considering acquired distinctiveness and reputation at different stages of the step-by-step approach is not wrong in principle.

92 Be that as it may, the authors also recognise that there are overlaps between the acquired distinctiveness and reputation. There are a number of decisions which consider the same evidence for both the acquired distinctiveness and reputation of the registered trade mark.¹²⁸ Furthermore, there have been a number of decisions where the courts

124 *Consolidated Artists BV v THEFACESHOP Co, Ltd* [2017] SGIPOS 7 at [103]–[107]. See also *Casio Keisanki Kabushiki Kaisha (Casio Computer Co, Ltd) v Columbia Pictures Industries, Inc* [2003] SGIPOS 15 at [30]–[33], where the IPOS adjudicator held that the opponent had failed to prove that its trade mark had a reputation in the class of goods and services that overlapped with the trade mark applicant.

125 See para 30 above, and for example, *Monster Energy Company v Health and Happiness (H&H) Hong Kong Limited* [2021] SGIPOS 14, where the PAR considered whether or not the trade mark had acquired distinctiveness in Singapore even though the PAR already held that the goods and services of the competing trade marks were entirely dissimilar.

126 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [32]–[34].

127 *Evidence of Distinctiveness Acquired Through Use* (Intellectual Property Office of Singapore, November 2015) <https://www.ipos.gov.sg/docs/default-source/resources-library/trade-marks/infopacks/tm_work-manual_6-evidence-of-use_nov2015-v2.pdf> (accessed 9 June 2022).

128 See *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 at [21] and [53(b)]; *Bacardi & Company Limited v G3 Enterprises, Inc* [2015] SGIPOS 17 at [34]–[37] and [89]; and *Rolax SA v FMTM Distribution Ltd* [2020] SGIPOS 6 at [28]–[36] and [71].

have found that the registered trade mark had acquired distinctiveness on the basis of sales and advertising, contributing to a finding of marks-similarity; yet on the back of that same evidence, found that the registered trade mark had a famous reputation which on the facts, militated against the likelihood of confusion.¹²⁹

93 In *Discovery Communications, LLC v A-STAR-Education Discovery Camps Pte Ltd*,¹³⁰ the IP Adjudicator found that the opponent's "DISCOVERY" marks as a whole had acquired distinctiveness, due to the breadth of exposure an average consumer of cable television would have had to the opponent's marks used in relation to television channels and programmes,¹³¹ ultimately finding that the opponent's and applicant's marks were sufficiently similar to proceed with the next step of the step-by-step approach.¹³² However, at the confusion inquiry, the IP Adjudicator found that the opponent's prolonged use of its trade marks developed a strong reputation which would reduce the likelihood of confusion between the opponent's and applicant's marks.¹³³

94 The authors are of the view that the learned PAR Lim's concerns in *Twitter* are justified.¹³⁴ There does appear to be a conceptual contradiction between the idea that the acquired distinctiveness of the registered trade mark would increase the likelihood that the trade mark is similar to a competing mark *per* the Distinctiveness Principles, and the idea that the reputation of the registered trade mark may actually reduce the likelihood of confusion.

95 However, the baby should not be thrown out with the proverbial bathwater. The Distinctiveness Principles as set out in *Staywell* make it clear that inherent and acquired distinctiveness are part of the marks-similarity assessment, and this article has also established the legal and conceptual propriety of doing so. Nevertheless, it is hoped that the courts will bring much needed clarity to this aspect of the step-by-step approach.

129 See *Apple Inc v Xiaomi Singapore Pte Ltd* [2017] SGIPOS 10; and *Discovery Communications, LLC v A-STAR-Education Discovery Camps Pte Ltd* [2020] SGIPOS 4.

130 [2020] SGIPOS 4.

131 *Discovery Communications, LLC v A-STAR-Education Discovery Camps Pte Ltd* [2020] SGIPOS 4 at [40]–[41].

132 *Discovery Communications, LLC v A-STAR-Education Discovery Camps Pte Ltd* [2020] SGIPOS 4 at [75].

133 *Discovery Communications, LLC v A-STAR-Education Discovery Camps Pte Ltd* [2020] SGIPOS 4 at [111]–[112].

134 See para 84 above.

B. *The persuasive force of distinctiveness – Binary or a sliding scale?*

96 Another difficulty that has been hitherto unresolved as regards the consideration of acquired distinctiveness at the marks-similarity assessment is whether *Staywell's* understanding of distinctiveness of a trade mark is binary in nature, or a matter of degree.

97 The question is as follows: the assessment of whether a trade mark possesses distinctiveness (whether inherent or acquired) in the marks-similarity assessment as set out in *Staywell* is a yes or no question – either the trade mark is distinctive, or it is not. As distinctiveness can be inherent or acquired, if a trade mark is found to be inherently distinctive, there would therefore be no need to assess the acquired distinctiveness of the trade mark.

98 As such, for trade marks that are already found to be inherently distinctive, arguments that the registered trade mark has acquired an *enhanced* distinctiveness from its use should not be considered at the marks-similarity stage, as the distinctiveness assessment for the purposes of ascertaining marks-similarity was satisfied from the trade mark's inherent distinctiveness.

99 The above contention was one of the reservations the Honourable Lee Seiu Kin J had in the High Court decision of *Polo (2016)*, when he doubted the propriety of considering acquired distinctiveness at the marks-similarity stage:¹³⁵

It is clear that *Staywell* contemplates the factoring of acquired distinctiveness for trade marks which may not be inherently distinctive and have come to be so under s 7(2) of the TMA. It is also clear that *Staywell* contemplates that earlier trade marks may have varying degrees of technical distinctiveness. *It is less clear whether Staywell contemplates that earlier trade marks which are already inherently distinctive can become more distinctive through use and that this enhanced distinctiveness can be taken into consideration at the marks-similarity stage.* [emphasis added in italics]

100 Why is this concern significant? If the distinctiveness assessment at the marks-similarity stage is merely binary, the Distinctiveness Principles are not being accorded weight in the marks-similarity assessment. For ease of reference, the Distinctiveness Principles are reproduced below:¹³⁶

135 *Polo/Lauren Co LP v United States Polo Association* [2016] 2 SLR 667 at [28].

136 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

Technical distinctiveness is an integral factor in the marks-similarity inquiry ... a mark which has *greater* technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it. [original citations omitted; emphasis added in italics]

101 If the distinctiveness assessment at the marks-similarity stage is binary, a trade mark that is inherently distinctive would be treated similarly to a trade mark that is equally inherently distinctive but has also acquired distinctiveness through widespread use. However, this runs counter to the Distinctiveness Principles as set out above, as a trade mark that has a greater distinctiveness should enjoy a high threshold before a competing sign would be considered dissimilar to it.

102 This uncertainty apropos of the appropriate application of the Distinctiveness Principles at the marks-similarity assessment, in turn, casts a cloud over the propriety of the entire approach.

103 Indeed, it cannot be said that *Staywell* supports the proposition that trade marks which are already inherently distinctive can be more distinctive through acquired distinctiveness and that this enhanced distinctiveness can be taken into consideration at the marks-similarity stage, as *Staywell* does not consider the acquired distinctiveness of the mark in dispute. There are also no reported decisions from the High Court or the Court of Appeal that addresses this issue squarely.

104 The Court of Appeal in *Hai Tong* viewed the distinctiveness of a trade mark as a binary determination. This can be seen in how the Court of Appeal decided that once the appellant's "LADY ROSE" mark was inherently distinctive, there was no need to consider whether the trade mark had also acquired distinctiveness through use:¹³⁷

The juxtaposed words were therefore not devoid of distinctive character; and in that light, it really did not fall for consideration whether these words had also or separately acquired a measure of distinctiveness through use.

105 As *Staywell* cited *Hai Tong* with approval with respect to inherent and acquired distinctiveness,¹³⁸ *Staywell* can also be interpreted as having accepted the view in *Hai Tong* that distinctiveness is a binary determination, rendering acquired distinctiveness irrelevant to the marks-similarity assessment for trade marks that are already inherently distinctive.

106 Respectfully, the authors are of the view that distinctiveness at the marks-similarity assessment transcends a mere binary determination

137 *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 at [35].

138 See paras 56 and 59 above.

and should further be assessed as a matter of degree. The basis for this view stems from the Distinctiveness Principles, which as discussed earlier, are well-entrenched in Singapore trade mark law.¹³⁹ For ease of reference, the Distinctiveness Principles are once again reproduced below:¹⁴⁰

Technical distinctiveness is an integral factor in the marks-similarity inquiry; a mark which has *greater* technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it. [original citations omitted; emphasis added in italics]

107 It is clear that the Distinctiveness Principles, from its use of the word “greater”, envisages that there are degrees to distinctiveness. To hold that the assessment of distinctiveness at the marks-similarity stage is merely binary is to not give effect to this well-established principle of marks-similarity.

108 The above approach was adopted by the High Court in *Digi*. In the context of a trade mark opposition, the High Court decided that the opponent’s trade mark had a low degree of inherent distinctiveness, and went on to decide, after an assessment of the evidence of the trade mark’s acquired distinctiveness, that “the distinctiveness of the whole mark has been enhanced to a moderate degree through use”.¹⁴¹

109 Further, it appears that the Court of Appeal decision in *Ceramiche* supports this reading. At first instance, the PAR considered both the inherent and acquired distinctiveness of the mark and held that the mark had a medium level of distinctiveness, and consequently only enjoyed a normal threshold before a competing sign will be considered dissimilar to it.¹⁴² This finding was not disturbed on appeal to the High Court.¹⁴³ On final appeal, the registered trade mark proprietor argued that, by virtue of the Distinctiveness Principles in *Staywell*, its “CAESAR” mark should enjoy a high threshold before a competing sign would be considered dissimilar to it. The Court of Appeal considered the issue and held the following.¹⁴⁴

... The PAR held that the Appellant’s CAESAR Mark had a medium level of *inherent* distinctiveness. The PAR also accorded some weight to the evidence tendered in relation to *de facto* distinctiveness. On the whole, the PAR took

139 See paras 23–31 above.

140 *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 at [25].

141 *Digi International Inc v Teraoka Seiko Co, Ltd* [2021] SGHC 165 at [102] and [118].

142 *Ceramiche Caesar S.P.A. v Caesarstone Sdot Yam Ltd* [2015] SGIPOS 9 at [42]–[43].

143 *Caesarstone Sdot-Yam Ltd v Ceramiche Caesar SpA* [2016] 2 SLR 1129 at [40].

144 *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 at [29]–[30].

the view that the Appellant's CAESAR Mark was 'at the very least, of a *medium* level of distinctiveness' ...

...

The Appellant does not challenge the Judge's findings on distinctiveness, but submits that the Appellant's CAESAR Mark 'enjoys a higher threshold before the [Respondent's] CAESARSTONE Mark will be considered dissimilar to it'. In our judgment, this is incorrect. What we held in *Staywell* (at [25]) was that a mark which has **greater** technical distinctiveness enjoys a **high** threshold before a competing sign will be considered dissimilar to it. The PAR concluded on this basis that 'a mark which has a **normal** level of technical distinctiveness will correspondingly enjoy only a **normal** threshold before a competing sign will be considered dissimilar to it' [emphasis in original]. Thus, when the PAR (and the Judge) held that the Appellant's CAESAR Mark had a medium level of distinctiveness, what she (and the Judge) probably meant was that the Appellant's CAESAR Mark was of a **normal** level of distinctiveness and therefore enjoyed only a **normal** threshold before the Respondent's [CAESARSTONE] Mark would be considered dissimilar to it.

[emphasis in italics in original; emphasis added in bold]

110 The passage above appears to suggest that the Court of Appeal accepted the PAR's consideration of the evidence relating to the acquired distinctiveness of the trade mark, notwithstanding that the PAR had earlier concluded that the trade mark had inherent distinctiveness. Further, the language used by the Court of Appeal as emphasised above demonstrates its willingness to accept that the distinctiveness evaluation at the marks-similarity stage is a matter of degree and not a simple binary determination. However, a reinforcement of this position by the Court of Appeal in future trade mark decisions would be welcome.

V. Conclusion

111 Despite the schism that has developed over acquired distinctiveness and its place in the step-by-step approach, coupled with the absence of decisions from the High Court and Court of Appeal since *Staywell* that address the controversy squarely, this article has established that the alleged contradiction is resolvable: acquired distinctiveness can and should be considered at the marks-similarity assessment. This position has been shown in Part III to be the correct legal conclusion under Singapore trade mark law and is in line with the conceptual underpinnings of the marks-similarity assessment.

112 Whilst it may appear preferable for the High Court or the Court of Appeal to give some clarity on this issue, it is also the authors' hope that the Registrar immediately resolves this schism within its own decisions by adopting the approach set out in this article. The authors therefore urge

the Registrar to issue directions and/or circulars informing practitioners how this issue will be treated in proceedings before the Registrar. This will immediately restore clarity and legal certainty amongst practitioners, trade mark proprietors or applicants and the hearing officers *vis-à-vis* proceedings before the Registrar.

113 The authors also recognise that the adoption of the approach set out in this article is not without its challenges in application. Part IV has highlighted the two main difficulties which, in the authors' view, require greater scrutiny. The authors hope that these two main difficulties receive further clarification from the courts in order to resolve these unanswered questions.
