

CASE NOTE – TRADE MARKS

Combe International Ltd v Dr. August Wolff GmbH & Co. KG Arzneimittel [2020] SGIPOS 3

This case concerned the “Vagisan” trade mark in Singapore, which was registered by Dr. August Wolff GmbH & Co. KG Arzneimittel (the “**Proprietor**”), the medical division of a German cosmetics and pharmaceutical products company called the Dr. Wolff-Group.

Combe International Ltd (the “**Applicant**”), an American company retailing a range of brands in feminine health and intimate skin care, which owns several “VAGISIL” registered trade marks in Singapore, applied for a declaration of invalidity to invalidate the “Vagisan” mark based on Section 23(3) of the Trade Marks Act (the “**Act**”) read with:

1. Section 8(2)(b) of the Act: that the marks are similar, the goods are identical/similar, and a likelihood of confusion exists;
2. Section 8(4)(b)(i) of the Act: that the VAGISIL marks are well known to the relevant sector of the public in Singapore, a confusing connection exists between the goods of both proprietors, and the Applicant’s interests are likely to be damaged consequently; and
3. Section 8(7)(a) of the Act: that the Applicant had goodwill, that the use of the Vagisan mark is likely to amount to a confusing misrepresentation, and there is a likelihood of damage to the Applicant.

The Applicant succeeded on the Sections 8(2)(b) and 8(7)(a) grounds, but failed on the Section 8(4)(b)(i) ground.

Section 8(2)(b) of the Act – Similar mark on similar goods

Distinctiveness of the VAGISIL mark

It is well established that the relevant date for determining whether grounds of invalidation exist is the date of application for registration of the subject mark. In this case, the relevant date for the VAGISIL mark was 19 March 2012 (“**Relevant Date**”).

The Principal Assistant Registrar (“**PAR**”) first looked at the distinctiveness of the VAGISIL mark, which would play a part in the subsequent mark-similarity analysis. In determining that the prefix “VAGI” had weak distinctive character, she was not persuaded by the limited evidence of use of “VAGI” prefixed marks in Singapore before the Relevant Date. Evidence of the state of the register also did not persuade her, since it did not necessarily reflect the reality in the marketplace.

She did however refer to dictionaries and found that there were an extremely small number of words in the English language beginning with the prefix “VAGI”, and all but one of those words relate to vagina and vaginal health. Moreover, out of those words, “vagina” was the most commonly used word. Hence when encountering “VAGI” applied on the goods, the public is likely to recognise it as a short form of “vagina” and an indication of the intended treatment area. Consequently, “VAGI” has weak distinctive character.

Since the distinctiveness of the VAGISIL mark lies only in the combination of “VAGI” and “SIL” to form an invented word, the VAGISIL mark only possesses a normal level of distinctive character.

Similarity of Marks

Comparing the marks “VAGISIL” and “Vagisan”, the PAR found that they had an above average level of visual similarity. They share a majority of letters, the same structure and number of letters. Moreover, the distinctiveness in the way that “VAGI” has been conjoined with a three-letter suffix starting with “S” is also captured in “Vagisan”. The difference of two letters at the end of the marks were insufficient to distinguish the marks sufficiently and substantially.

The PAR also found that the marks had an above average level of aural similarity, in light of the overall phonetic impression produced, which was influenced by both marks having the same number and sequence of syllables, and the rhythm and intonation of the marks. Both marks share two out of three identical syllables, with the third syllable beginning with the same “S” sound. Even though it is unlikely the last syllable will be slurred, overall, the marks are still aurally similar.

Since VAGISIL and Vagisan are both invented words with no dictionary meanings, the PAR found that they were conceptually neutral.

Similarity of Goods

It was undisputed that the goods were similar - the Proprietor had conceded the same, and the PAR furthermore found that some identical goods were claimed, such as “cosmetics” and “pharmaceutical” products.

Likelihood of Confusion

With regard to the likelihood of confusion, the PAR emphasised a key distinction between two types of confusion - direct and indirect confusion. Direct confusion is where the consumer mistakes one mark for another. Indirect confusion is where consumers may perceive the marks are different, but still perceive that the goods or services of both marks originate from the same source, or economically linked or associated sources. This distinction was reiterated as the PAR analysed the relevant factors in the likelihood of confusion analysis.

In finding that there was a likelihood of confusion, the PAR took into account her earlier finding that the marks shared an above average level of similarity. She also opined that the goods may be purchased from a brick-and-mortar shop – if so, customers would view the goods and the choice to buy the item is generally made visually, although oral communication with the assisting sales staff is not excluded. Where the goods are purchased online, customers would only perceive the marks visually. Since the marks are visually and aurally similar, this contributed to the likelihood of confusion.

The factors that did point away from a likelihood of confusion were the nature of the goods, and whether consumers would apply care in making their purchases. The PAR acknowledged that the goods in question, vaginal care products, are used on a part of the body that is intimate and sensitive, and consumers are likely to be careful in selecting and purchasing the goods. While this means that direct confusion is less likely, she clarified that there may still be indirect confusion due to the similarities between the marks, which is not necessarily dispelled by the fact that consumers are careful.

Given that the marks and goods are similar and there is a likelihood of confusion, the ground of invalidation under Section 8(2)(b) succeeded.

Section 8(4)(b)(i) of the Act – Well known mark

Based on the evidence, the PAR was not convinced that the VAGISIL mark was well known in Singapore by the Relevant Date. First, most of the evidence provided by the Applicant post-dated the Relevant Date. Second, the Applicant did not provide context, which would have helped to demonstrate the significance of the evidence adduced. For instance, while the Applicant had adduced sales figures, the Applicant did not provide context as to the size of the market in Singapore for the goods and the market share held by the Applicant. Without the relevant context, the PAR commented that she was unable to reach the finding that the VAGISIL mark was well known in Singapore. Third, the relationship between some of the evidence to the mark being well known was not demonstrated. For instance, the Applicant adduced evidence of references made to VAGISIL in television shows, books and articles, but did not show what extent the relevant public in Singapore were exposed to them, or explain what effect, if any, they have on them. Without this crucial link established, the PAR opined that this evidence cannot assist her to reach a conclusion as to whether the VAGISIL mark was well known in Singapore.

As such, the ground of invalidation under Section 8(4)(b)(i) failed.

Section 8(7)(a) of the Act – Passing off

It was not disputed that the Applicant has goodwill in Singapore. With regard to misrepresentation, the PAR took the opportunity to highlight the distinction that under Section 8(7)(a) the focus is on the mark as was actually used, and on the actual goods sold under it, whereas under Section 8(1) and (2), all normal and fair uses of the applicant's registered mark in relation to the registered goods may be considered. While the Applicant would sometimes use its VAGISIL mark in conjunction with a "V" device, the PAR found that this did not detract from the distinctiveness of the word VAGISIL and consumers would still distinguish the Applicant's goods by the word VAGISIL, with or without the "V" device. Due to the same reasons which successfully established a likelihood of confusion, misrepresentation is also made out. Finally, the PAR found that there was a real likelihood of damage to the Applicant's goodwill, engendered by both parties competing in the same line of products and the diversion of custom.

As such, the claim in passing off was made out, and the ground of invalidation under Section 8(7)(a) succeeded.



Comments

With regard to Section 8(2)(b), this decision helpfully clarifies what factors are of importance when determining the distinctiveness of a mark prior to the mark similarity analysis. In this case which concerned the discussion of whether a prefix was distinctive, referencing dictionaries was found to be helpful, whereas referring to the state of the register was found to be unhelpful. Evidence of the use of marks containing the prefix can be helpful provided it pre-dates the Relevant Date, and the extent of use of the marks is clearly shown.

An interesting point to note was the distinction emphasized by the PAR between direct and indirect confusion. A nuanced approach has to be taken when considering the different factors in the likelihood of confusion analysis, since some of these factors may indicate a lesser likelihood of direct confusion but may not necessarily obviate indirect confusion. Hopefully, future decisions will further illuminate what contributes to indirect confusion (other than mark similarity), and how indirect confusion may be obviated.

With regard to Section 8(4)(b)(i), this decision also shows that a wealth of evidence cannot simply be adduced indiscriminately. Future applicants should take note that for the evidence to be given weight, it has to pre-date the Relevant Date; moreover, context must be provided as a backdrop to demonstrate the significance of the evidence adduced. Lastly, care must be taken to establish the link between the evidence adduced and whether the mark is well known in Singapore, such as by providing evidence of the exposure of consumers in Singapore to the applicant's promotional material.

This case note is intended to provide general information only and should not be relied upon as an exhaustive or comprehensive statement of law. Should you have any specific questions, please speak with your usual contact at Amica Law LLC, or you may direct your query to mail@amicalaw.com.

*We wish to express our thanks to **Megan Pang** for her contributions to this case note.*

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