

## CASE NOTE- TRADE MARK INFRINGEMENT AND PASSING OFF

### Han's (F&B) Pte Ltd v Gusttimo World Pte Ltd [2015] 2 SLR 825

The Plaintiff is the owner of a chain of local restaurants and operates using the following registered trademarks:



The Defendant operates an upscale Japanese restaurant under the following sign.



The Plaintiff sued the Defendant for trade mark infringement and passing off and the Defendant counterclaimed for invalidity of the HAN'S trade marks for lack of distinctiveness. The High Court dismissed the counterclaim and found that it possesses sufficient capability to be able to distinguish goods and services. The Court also found that the stylized variants of the HAN'S trade marks are distinctive due to the unique stylisation and typeface. As for the plain HAN'S trade marks, whilst they are not inherently distinctive on their own, the court found that all four marks have acquired distinctiveness through long use.

With regards to the Plaintiff's claim for infringement, the High Court affirmed the step-by-step approach. Using this approach, the Court first considers whether the marks are identical or similar before considering whether the goods and services provided thereunder are identical or similar. Where there is an element of similarity, the Court will then ask if there is any likelihood of confusion. On the facts, the Court found that the plain HAN'S marks are visually and phonetically similar to the Defendant's sign to the predominance of the common "HAN" element. However, the stylized HAN'S marks were not visually similar to the Defendant's sign.

The Court also found no conceptual similarity between the HAN's marks and the Defendant's sign. The word "Han" in the Defendant's sign included the description "Cuisine of Naniwa" which when regarded in totality, refers to a cuisine of a cultural or geographical area. On the other hand, the use of "Han's" by the Plaintiff, with the possessive modifier, conveyed the impression of a restaurant owned or managed by a person named "Han".

Whilst the services provided were fairly identical, namely, food and beverage and restaurant services, in the final analysis, the Court found that there is no likelihood of confusion. When faced with traditional

## NEWS & UPDATES

ISSUE NO 01-15  
JANUARY – DECEMBER 2015  
PG 1 OF 14

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brick-and-mortar establishments, the Court found that the visual and conceptual aspects of the marks in issue played a more significant impact than the phonetic impact. Owing to the conceptual dissimilarity, a consumer is unlikely to be confused. Furthermore, the Court took into account that the Plaintiff offered relatively inexpensive western-styled cuisine, whereas the Defendant's restaurant served high-end Japanese food. The significant differences in the style, price, range and type of food and services offered by parties had to be considered in the confusion-enquiry. Accordingly, the claims in trademark infringement and passing off were dismissed.

The court also commented on the use of expert evidence and opined that since the test for infringement of a trade mark has to be looked at globally taking into account all the circumstances through the eyes of the average consumer of the goods or services in question, it doubted the value of an expert witnesses in that

assessment, particularly in cases where the goods or services that are commonplace. The court was also mindful that in trade mark infringement actions, the absence of evidence of actual confusion in the marketplace is not fatal to the claim. Where there is no evidence that customers have been confused, the court will have to examine the marks and decide on the evidence as a whole whether confusion is likely. In particular, the Court relied on the following comments of Millett LJ in *The European Ltd v The Economist Newspaper Ltd [1998] FSR 283 at 291*:

... It is legitimate to call evidence from persons skilled in a particular market to explain any special features of that market of which the judge may otherwise be ignorant and which may be relevant to the likelihood of confusion. It is not legitimate to call such witnesses merely in order to give their opinions whether the two signs are confusingly similar. They are experts in the market, not on confusing similarity.

## CASE NOTE – TRADE MARK APPLICATION

### Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd [2015] 5 SLR 618

Plaintiff's Mark



Defendant's Mark



The Applicant is a snack food manufacturer and applied to register the “ANGRY BITE” sign as seen on the left in respect of Class 30 for snack products.

The Opponent is the company behind the popular Angry Birds game and is the registered proprietor of the “ANGRY BIRDS” word mark and “Red Bird Mark” in Singapore, covering a total of 21 classes each including Class 30. The Opponent objected to the registration of the “ANGRY BITE” sign on various grounds

In the Trade Mark Registry, the opposition was dismissed and an appeal was filed to the High Court.

### **HELD**

The first ground of objection was based on Section 8(2)(b) Trade Marks Act. The Opponents sought to argue that the “ANGRY BIRDS” word mark should be viewed as a composite mark with the “Red BirdMark” and compared against the “ANGRY BITE” mark. The Court disagreed and held that the two earlier trade marks were registered separately and as such, cannot be combined to form a single composite mark in the analysis. He

also rejected the Opponent's claim that the “ANGRY BIRDS” word mark and “Red Bird Mark” were similar to the “ANGRY BITE” mark even when compared separately.

The second ground of opposition was that the Opponent's trade marks were well-known. Whilst the Court agreed, since the marks were found to be dissimilar, this ground of opposition was also dismissed.

The third argument was grounded on the tort of passing off, in particular, whether the use of the “ANGRY BITE” mark is liable to be prevented by the law of passing off. Although there was sufficient goodwill in Singapore since the Angry Birds game was available in Singapore, the Court nonetheless found that because the marks were dissimilar, the element of misrepresentation could not be established.

The last ground of objection was based on copyright. Whilst the Court was satisfied that the Opponent's marks were original artistic works, there was no substantial reproduction as the distinctive features had not been copied and overall, the marks had different visual qualities.



## CASE NOTE – TRADE MARK INVALIDATION

### Global Tobacco Manufacturers (International) Sdn Bhd v Jamal Abdulnaser Mahmoud Al Mahamid [2015] SGCA 51

The case was an appeal from the High Court’s decision in *Jamal Abdulnaser Mahmoud Al Mahamid v Global Tobacco Manufacturers (International) Sdn Bhd* [2015] SGHC 42 (“**Jamal**”).

The Appellant was the registered proprietor of the following mark (the “**Appellant’s Mark**”):



The Respondent is the registered proprietor of the follow mark (the “**Respondent’s Mark**”):



Both marks had been registered in Class 34 which comprises cigarettes and related products. The Respondent’s Mark was registered on 7 June 2005, and was applied to cigarettes sold in Singapore through duty-free channels to specialist retail dealers who sold supplies to ships. The Appellant’s Mark was registered on 29 November 2012, and was held to be in breach of Section 8(2)(b) of the Trade Marks Act (the “**TMA**”) and

invalidated under Section 23(3)(a)(i) of the TMA in *Jamal*. The subject of the present case was the Appellant’s appeal against the decision in *Jamal*.

#### *Mark similarity*

The Court of Appeal held that there was a high degree of similarity between the Appellant’s Mark and the Respondent’s Mark, in light of the following findings:

- the dominant element of both marks was their textual component, “Manchester”;
- the non-textual components had limited impact in differentiating the marks;
- the textual component was inherently distinctive in relation to cigarettes;
- the textual component of both marks were identical; and
- the marks were aurally identically and shared substantial visual and conceptual similarity.

#### *Likelihood of confusion*

The Appellant argued that the Respondent had the burden of showing, to a convincing degree, the likelihood of confusion, because the Appellant’s Mark had been duly registered without any opposition. Accordingly, the Appellant claimed



that the Respondent had failed to discharge this burden because it did not adduce any evidence of actual confusion or the perceptions of the likely consumer base.

While the Court of Appeal did not rule out the possibility of there being a higher burden of proof in an application to invalidate a duly registered trade mark, it reiterated that evidence of actual confusion, though helpful, was not a necessary element.

In any event, the Court of Appeal was of the view that given the high degree of marks similarity and goods identity, there was a sufficient basis from which a likelihood of confusion could be inferred. Hence, the Court of Appeal upheld the invalidation of the

Appellant's Mark under Section 23(3)(a)(i) for breach of Section 8(2)(b) of the TMA.

#### *Comments*

The Court of Appeal's reminder that the likelihood of confusion may be inferred demonstrates that the judiciary is attuned to the reality that evidence of actual confusion is often hard to come by. Nonetheless, the Court of Appeal has indirectly suggested (in obiter) that applicants seeking to invalidate a duly registered trade mark may have to discharge a higher burden of proof. Although it is doubtful that evidence of actual confusion will be needed, the specific parameters of this higher burden of proof require judicial elucidation.

## CASE NOTE – WELL KNOWN MARKS & OPPOSITION PROCEEDINGS

### Formula One Licensing BV v Idea Marketing SA [2015] 5 SLR 1349

Idea Marketing SA applied to register the “**F1H2O**” trade mark in 2007, in relation to the F1 Powerboat World Championship, but was opposed by

Formula One, which manages the following trade marks for the well-known Formula One racing events held around the world.



FORMULA 1





Formula One failed in its opposition at first instance, and filed an appeal to the High Court. The appeal was dismissed.

*Section 8(2)(b)*

First, Formula One failed in its ground of opposition under section 8(2)(b) Trade Marks Act (Cap. 332) (“**TMA**”). To succeed under this section, Formula One had to show that Idea Marketing’s **F1H20** trade mark was similar to any of its Formula One marks, registered for identical or similar goods or services and as a result, a likelihood of confusion existed.

The Court found that **F1H20** was visually, aurally, and conceptually dissimilar from each of the three Formula One marks. Further, consumers were unlikely to be confused, due primarily to the conceptual disparity between the contesting marks – F1H20 connoted a water-sports event held, whilst Formula 1 centered around the concept of top-class automobile racing.

*Section 8(4)*

Second, Formula One failed in its opposition under section 8(4) TMA, which required it to prove that its trade marks were well known in Singapore, as it did not have sufficient evidence to show that its Formula One Marks were well-known in Singapore at the time when Idea

Marketing applied for its **F1H20**’s trade mark, which was in 2007. For example, Formula One cited just one reference in the local Today newspaper as to the number of fans from Singapore that visited the Sepang circuit in Malaysia for the Formula 1 automobile race, without any other independent or corroborative evidence. The Court also noted the absence of any details or particulars of the circulation of Formula One’s F1 Racing magazine in Singapore, or any evidence proving Formula One’s local licencing projects.

*Section 8(7)(a)*

Thirdly, Formula One also failed in its opposition under section 8(7)(a) TMA, which was premised on the tort of passing off, because Formula One had failed to prove that it had goodwill in its business, a threshold element required to establish passing off, at the relevant date in 2007 when Idea Marketing applied for its **F1H20** trade mark. In particular, at that time, Formula One had yet to start its Singapore races. Further, while the law in Singapore is that pre-trading activities may lead to a finding of goodwill, those pre-trading activities must demonstrate an “unequivocal intention to enter the Singapore market.” However, in this case, the newspaper articles that Formula One relied on only showed a possibility of Singapore hosting a race, which did not amount to unequivocal intention.



## CASE NOTE – PATENT AMENDMENT

### Ship's Equipment Centre Bremen GmbH v Fuji Trading (Singapore) Pte Ltd and Ors [2015] 4 SLR 781

The Plaintiff was the proprietor of a patent for device used to secure shipping containers and sued the Defendants for patent infringement. The Defendants denied infringement and counterclaimed that the patents lacked novelty. The Plaintiff then filed an application to amend the claims in the course of pending proceedings.

Under established law, any application to amend patent specifications will not be allowed if the amendments resulted in additional matter, extended the protection or failed to meet the criteria that the claim had to be clear and concise and supported by the description. Of the nine proposed amendments, only three proposed amendment met the requirements.

The Court nonetheless exercised its discretion under s 83(1) Patents Act and dismissed the application to amend, finding that (i) there was no reasonable explanation for the 2 year delay in seeking to amend the patent despite there being reasons to believe that the patent might be anticipated by prior art and (ii) the Plaintiff sought to obtain an unfair advantage as it commenced infringement proceedings even though it was well aware that its patent may eventually be found to be invalid.

Whilst applications for amendment of patent specifications in the midst of pending patent infringement proceedings are not uncommon, this case illustrates the possible pitfall in failing to seek amendments promptly.

## CASENOTE – TRADE MARK LICENCE RIGHTS

### Guy Neale v Ku De Ta SG Pte Ltd [2015] 4 SLR 283

This case was an appeal from the Singapore High Court's decision in *Guy Neale and others v Ku De Ta SG Pte Ltd* [2013] SGHC 250.

The Appellants are members of a partnership that operates the popular "Ku De Ta" restaurant, bar and club in Bali. The Respondent is a company that operates a restaurant, bar, lounge and club at the Marina Bay Sands development in Singapore, which used to bear the name "Ku De

Ta" (now known as "CÉ LA VI Singapore").

The "Ku De Ta" mark was registered in Singapore on 16 February 2004 by Nine Squares Pty Ltd ("**Nine Squares**"), which held it on trust for the Partnership. Nine Squares was owned and directed by an Arthur Chondros ("**Chondros**"), a member of the partnership, and a Daniel Ellaway ("**Ellaway**").



On 29 June 2009, Ellaway, without informing or obtaining the consent of Chondros, caused Nine Squares to enter into an agreement that purported to grant one Chris Au (“**Au**”) an exclusive licence to use the “Ku De Ta” mark (the “**Licence Agreement**”). Au subsequently assigned the Licence Agreement to the Respondent, which went on to operate the “Ku De Ta” business in Singapore. On 9 July 2010, the Licence Agreement was affirmed by the parties as part of a settlement in respect of the Australian legal proceedings commenced by Au and the Respondent against Nine Squares. On 22 December 2014, the Singapore Court of Appeal (the “**CA**”) ordered Nine Squares to transfer legal ownership of the mark to the Appellants.

In the present case, the Appellants sought to restrain the Respondent from further use of the “Ku De Ta” name in Singapore under Section 55 of the Trade Marks Act (the “**TMA**”) and passing off. The Respondent argued that its right to use the “Ku De Ta” mark under the Licence Agreement was effective against the Appellants.

The issues on appeal were as follows:

- whether the licence granted under the Licence Agreement conferred on the licensee (the Respondent) a proprietary interest in the mark or a mere contractual right;
- whether the Respondent’s interest (whatever its nature) as a licensee bound the Appellants, as the

licensor’s (Nine Square’s) successor-in-title; and

- whether the Appellants were entitled to a remedy under Section 55 TMA (which protects unregistered trade marks), passing off, or Sections 27 and 31 TMA (which protect registered trade marks).

#### *Nature of a trade mark licence*

The CA considered several English authorities and decided to adopt the settled position in England that a licence to use a trade mark confers a mere contractual right rather than a proprietary interest on the licensee. This was true even of an exclusive licence. Although Section 45(1) of the TMA provides that an exclusive licence may confer on an exclusive licensee the same rights and remedies as if the licence had been an assignment, the CA was of the view that this was purely procedural, allowing the exclusive licensee to enforce the proprietary rights of the proprietor.

The CA referred to *Leogelis SA v Lonsdale Sports Ltd* [2008] ETMR 63, where Lloyd LJ observed that although a sub-tenancy creates a property right out of a tenancy of land, the same was not true of a trade mark licence in respect of a registered trade mark. The CA also referred to *Ultraframe (UK) Ltd v Fielding (No 2)* [2006] FSR 17, where Lewison J noted that the world of intellectual property (“IP”) operates commercially on the basis that there is a clear distinction between an assignment (which is proprietary) and





a licence (which is non-proprietary). From these cases, the CA surmised that in considering the nature of an IP licence, it would be inappropriate to draw an analogy with the way that the law deals with similar transactions involving real property.

*Respondent's contractual interest (as licensee) against the Appellants (as successors-in-title)*

The CA held that, at law, the Respondent could not enforce its contractual rights against the Appellants, since the Appellants were not a party to the Licence Agreement between the Respondent and Nine Squares.

The Respondent then attempted to rely on Section 42(5) of the TMA, which provides that a licence to use a trade mark is binding on every successor-in-title to the licensor's interest, subject to certain exceptions. However, the CA disagreed; the Respondents could not rely on Section 42(5) of the TMA, as that provision only applies to successors-in-title who do not already have a prior interest, unlike the Appellants (who had been the beneficial owners of the trade mark).

Nonetheless, the CA was of the opinion that the Respondent's contractual rights under the Licence Agreement might trump the Appellant's prior equitable interest if the Respondents could show that the equities weighed in its favour, pursuant to Section 40(2) of the TMA. Section 40(2) of the TMA provides that the equities in respect of a

registered trade mark may be enforced in like manner as in respect of other personal or movable property.

In weighing the equities, the CA stated that a critical factor was whether the Respondent had notice of the Appellants' equitable interest by the time it acquired its rights under the Licence Agreement (the **"Relevant Date"**). The CA found that the Relevant Date was 9 July 2010, when the Licence Agreement was affirmed pursuant to the settlement in respect of the Australian legal proceedings. By the Relevant Date, Au (who later assigned the Licence Agreement to the Respondent) had at least constructive notice that the Appellants were the beneficial owner of the "Ku De Ta" trade mark. On this basis, the equities weighed in favour of the Appellants, such that they were not bound by the Respondent's contractual rights under the Licence Agreement.

*Remedies*

The Appellants had not pleaded registered trade mark infringement under Sections 27 and 31 of the TMA, because they had yet to become the registered proprietors of the mark at the time the suit was filed. Nonetheless, the CA held that this technicality was no bar to injunctive relief on those grounds; to deny the Appellants an injunction in the present case would only give rise to fresh litigation (and thereby pointless expense) in which they were bound to succeed.



## Comments

The CA's decision is a landmark in terms of its authoritative pronouncement that a licensee's interest under a trade mark licence is contractual rather than proprietary in nature. Nonetheless, prospective licensees are advised to register their licence to protect their interest. Until an application for registration is made, a licence will be ineffective against persons acquiring conflicting interests in respect of the mark in ignorance of the licence (Section 39(3) of the TMA). Moreover, registration ensures that a licence will be binding on all of the licensor's successors-in-title, as it prevent them from claiming that they had no notice of the licence (Section 42(6) of the TMA).

However, it remains to be seen whether and when the Court of Appeal will finally reconsider Singapore's "hard-line" approach to

goodwill under the law of passing off, as they were of the view that this was an inappropriate case to do so. The "hard-line" approach requires a claimant to demonstrate actual business within Singapore, or at the very least, certain "pre-business activities" that signal its unequivocal intention to enter the Singapore market and that raise the relevant public's awareness of their business (*Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 (CA) at [136], [142]; *CDL Hotels International Ltd v Pontiac Marina Pte Ltd* [1998] 1 SLR(R) 975 (CA) at [58]). Such an approach stands in contrast to Australia's "soft-line" approach, where a claimant's reputation within the jurisdiction is sufficient to found an action in passing off (*Scandinavian Tobacco Group Eersel Bv v Trojan Trading Company Pty Ltd* [2015] FCA 1086 at [91]; *ConAgra Inc v McCain Foods (Aust) Pty Ltd* (106) ALR 465 (FCA) at 473).

## CASE NOTE - COPYRIGHT

### Wang Choong Li v Wong Wan Chin [2015] SGHC 128

This case is instructive on the factors that determine proper ownership of the copyright in wedding photographs and whether a celebrity's wedding photographs could receive special copyright protection.

The Plaintiff was one half of a famous Hong Kong singing group called 2R and she engaged a wedding studio The Feline Bridal to provide wedding

and photography services for her wedding in 2009. The Plaintiff later discovered that her wedding photos had been used without her consent by The Feline Bridal in a coffee table book displayed at their premises and at wedding exhibitions. Ms Wong sued The Feline Bridal for copyright infringement and sought an injunction.

The ownership of 2 sets of



photographs was in dispute between the parties. The first was a set of pre-wedding shots taken in London by a friend of the Plaintiff (**“Pre-Wedding Photos”**) and the second was a set of photos taken on the actual day of the wedding itself, by a freelance photographer appointed by The Feline Bridal (the **“Actual Day Photos”**).

The Court found that since Ms Wong and her then-fiancé had corresponded with, appointed and paid their photographer friend for the Pre-Wedding Photos, she was found to have commissioned the photographs, which conferred ownership of the copyright in those photos under section 30(5) of the Copyright Act. Otherwise, ownership of the copyright in a photograph normally vests in the photographer.

The Feline Bridal sought to argue that it had sponsored Ms Wong’s wedding gown in exchange for a licence to use the Pre-Wedding Photos in its promotional material. It relied on a handwritten note found on a form for the collection of gowns that stated: “Sponsor for Photoshoot Rental FOC Dry cleaning charge in return for CD photos as sample book.” However, the Court found that the note did not constitute a valid sponsorship or licensing agreement, as it was bereft of sufficient details, such as stipulations as to limits to the use of the photographs. Further, the relatively low price of a gown rental militated against a finding of a sponsorship or licensing agreement.

For infringing the copyright in the Pre-Wedding Photos, The Feline Bridal was ordered to pay statutory

damages of S\$1,500 per item infringed and since a total of 29 infringements of the Pre-Wedding Photos had occurred, it had to pay statutory damages of S\$43,500.

While the Court at first instance had found that the Actual Day Photos were commissioned by the Plaintiff through The Feline Bridal, this finding was overturned on appeal. The High Court found that there was no evidence of any direct contractual relationship between the Plaintiff and the freelance photographer, and that The Feline Bridal had not acted as the Plaintiff’s agent in appointing and paying for the freelance photographer. Since the Plaintiff had specifically engaged The Feline Bridal to provide photography services as part of the overall wedding package, which must have meant that she had no intention to enter into a contract with the freelance photographer herself. What this meant was that she was not the person who had commissioned the Actual Day Photos, and so could not be the owner of its copyright. The ownership of the Actual Day Photos therefore resided either with the freelance photographer or with The Feline Bridal.

The Plaintiff sought to argue that celebrities had a greater need for protection of the use of their images and to privacy. The High Court rejected this argument and found that as a matter of principle, a person claiming to be a celebrity should not be entitled to any special protection under copyright law, and neither should there be any special privacy protection for celebrities in Singapore.



## CASE NOTE – INJUNCTIVE RELIEF

### **Challenger Technologies Ltd v Courts (Singapore) Pte Ltd [2015] 5 SLR 679; [2015] SGHC 218**

Challenger and Courts are both established information technology retailers in Singapore. Challenger owned trade marks for “CHALLENGER”. This dispute arose because a Courts marketing campaign featured the phrase “Guaranteed At Least 10% Cheaper Than Any Challenger”. Challenger sought an interim injunction to stop Courts from using its “CHALLENGER” trade mark in its marketing campaign. An interim injunction is a court order to prevent a party from performing certain acts pending the final determination of the case.

The High Court dismissed Challenger’s application for an interim injunction because, among other things, it would have effectively disposed of the case as Courts’ marketing campaign was slated to end before there could be time for any trial.

Challenger needed to show two things to obtain an interim injunction. First, that there was a serious question to be tried. In other words, Challenger needed to show that there was a real prospect of it succeeding in its claim for a permanent injunction at the trial. Here, the Court found that

Challenger’s case indeed crossed the low threshold of a serious issue to be tried, as it had made out a serious issue of trade mark infringement. This was even though its claim faced several defences.

Secondly, Challenger needed to show that the balance of convenience lay in favour of granting an injunction. In this assessment, a court will weigh the hardship to a defendant of granting the interim injunction against the hardship to the plaintiff if it was not granted. In this case, the Court found that the balance of convenience favoured Courts, for three reasons. First, Challenger’s case was not disproportionately stronger than Courts’ such that the merits of the case tipped the balance in Challenger’s favour. Secondly, if the Court had granted an interim injunction, Challenger would effectively have obtained a permanent injunction without the merits of its claim being tried, due to the limited duration of Courts’ marketing campaign. Thirdly, the Court concluded that prudence recommended maintaining the status quo, which was the state of affairs existing immediately before the issue of the writ, i.e. when Courts’ marketing campaign was still running.



## CASE NOTE - COPYRIGHT

### Lee Kien Meng v Cintamani Frank [2015] 3 SLR 1072; [2015] SGHC 109

This case was an appeal against the District Court's decision in *Lee Kien Meng v Cintamani Frank* [2014] SGDC 311.

The Appellant was the sole shareholder and director of Senatus Pte Ltd ("**Senatus**"), a company specialising in digital social media. The Respondent was the chairman and founder of the Men's Fashion Week ("**MFW**") and Women's Fashion Week ("**WFW**") fashion events in Singapore, which were owned and organised by Fide Multimedia Pte Ltd ("**Fide**"), one of the Respondent's companies.

In 2010, Fide engaged Senatus to promote MFW and WFW through online social media. The Appellant set up Facebook pages, Twitter accounts and acquired the domain names for MFW 2011 and WFW 2011. The Appellant, the Respondent, and several Fide staff members were appointed as administrators of the Facebook pages.

On 28 March 2012, after a falling out, the Respondent removed the Appellant and Fide staff members from their roles administrators of the Facebook pages. After a series of email exchanges during April 2012, the Appellant commenced legal proceedings against the Respondent, seeking a declaration that the Appellant was the owner and sole administrator of the Facebook pages, a declaration that the Respondent was

to reinstate the Facebook pages and relinquish all rights and control to the Appellant, as well as damages of \$250,000.

The District Court dismissed the Appellant's claim entirely. The issues on appeal were as follows:

- (a) whether the Appellant had a proprietary right in the Facebook pages;
- (b) whether there was an enforceable agreement between the parties to transfer control of the Facebook pages from the Respondent to the Appellant; and
- (c) Whether there was a ground for recovery for the loss from the effort and work done in relation to the Facebook pages.

#### *Proprietary right in the Facebook pages*

The High Court held that the Appellant had no proprietary claim to the Facebook pages.

The Court first drew a clear distinction between ownership of the copyright in the content posted on the Facebook pages, and ownership of the Facebook page itself, which was the medium in which the content was expressed. In the present case, the Appellant was claiming a proprietary interest in the Facebook pages, apart from any content.





The Court then discussed whether a Facebook page could be considered property and be capable of ownership. The Court considered several judicial and academic authorities, and opined that the Appellant was claiming interest in the bare medium (the Facebook pages themselves) through which content was published, rather than the infrastructure by which enabled the Facebook pages to come into existence. The value in the Facebook pages to the parties was the followers/fans that they had. Ultimately, the Court declined to express a view either way, as their decision did not hinge on this point. Nonetheless, they proceeded on the assumption that a Facebook page was capable of ownership.

The Appellant argued that he owned the Facebook pages because they would not have come into existence had he not clicked the “create” button. The Court disagreed with this reasoning, and stated that Facebook Inc’s unfettered right to remove the Facebook pages and the requirement of its consent before any transfer of Facebook pages could occur was strongly suggestive of the fact that the Appellant did not own the Facebook pages. The Court also referred to the Facebook user statement, which merely provided that the content of each Facebook page was owned by the user, but not that the entire page was owned by the user.

The Court then opined that copyright may subsist in the manner in which content is uploaded onto a Facebook page (or the “aggregate” of the uploaded content), on the basis that it is a compilation for the purposes of Section 7A Copyright Act. However, this issue did not arise as the Appellant did not make any submission on this point.

*Agreement to transfer control of the Facebook pages from the Respondent to the Appellant*

The High Court upheld the District Court’s finding that there was no legally enforceable agreement that obliged the Respondent to transfer control of the Facebook pages to the Appellant. The email exchanges in April 2012 made it clear that neither party had intended to be legally bound until a written agreement was entered into.

*Recovery for the loss from the effort and work done in relation to the Facebook pages*

The Court dismissed the Appellant’s claim in this regard, on the basis that there was no contract that he would be remunerated for managing the Facebook pages. Instead, the arrangement was simply a based on a mutuality of interests.

January / December 2015

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