

## SINGAPORE

## ATMD Bird &amp; Bird

# Has bad faith been established?

In the matter of a trademark application by Matsuda & Co. and opposition thereto by Valentino SPA [2012] SGIPOS 2



By Terri Koh

Matsuda & Co. (the Applicant) applied for the registration of the mark 'Valentino Rudy' and Device (the Application Mark) for 'cosmetics' in Class 3. The application was opposed by Valentino SPA (the Opponent), on the basis that Application Mark was applied for in bad faith contrary to Section 8(2)(b) of the Trade Marks Act, among other grounds.

To demonstrate that a *prima facie* case of bad faith had been made out against the Applicant, the Opponent submitted that:

- (a) there was no *bona fide* intention to use the Application Mark in Singapore;
- (b) there was no credible explanation as to the derivation of the Application Mark, and that in all likelihood the Application Mark was copied from the Opponent's Valentino Marks; and
- (c) there is no credible evidence submitted that the consent of the person whose name the Applicant was purportedly using had consented to the registration and use of the Application Mark.

The Principal Assistant Registrar of Trade Marks (the PAR), Ms Sandy Widjaja, was however not persuaded. In coming to her decision, the PAR provided some practical guidance in determining whether a case for bad faith has been made out:

**1. Absence of evidence of use per se cannot be regarded as an indication that there was no bona fide intention to use the Application Mark:** The Applicant affirmed in its Statutory Declaration that the Application Mark had been used in Singapore in respect of the goods applied for, but that the use of the same was for a short while before sales was suspended. No corroborative evidence was tendered by the Applicant to support its statement that the Application Mark had been used in Singapore. The Opponent therefore argued that the Applicant's failure to tender any evidence corroborating its sworn statement is *prima facie* evidence that the Applicant in fact had no *bona fide* intention to use the Application Mark. The PAR rejected this argument because there was a nevertheless a sworn statement by the Applicant that they had in fact used

the Application Mark. The PAR accepted that the Applicant had in fact used the Application Mark and the failure to tender any evidence was not fatal. The PAR also accepted that the Applicant had many registrations both in Singapore and overseas and that the Applicant had merely applied to register in Singapore a mark that they had been using in other classes in Singapore and also in other parts of the world. In the circumstances, she did not agree that this was a case of trade mark 'hijacking' and neither did the Opponent tender any such evidence to that effect.

**2. Absence of explanation for derivation of mark does not automatically mean copying has been made out:** The Opponent further argued that the Application Mark and the Opponent's Valentino Marks were strikingly similar and could have only arose because of the Applicant's copying of the essential elements of the Opponent's Valentino Marks. The PAR held that, unlike a situation where the mark in question was an invented word and the failure to furnish the court with a credible explanation of its derivation could lead to the conclusion that it was copied, the current case involved a mark comprising of name/surname and not an invented word. Further, given that the name/surname was not an unusual one, the PAR took the view that the lack or absence of an explanation for its derivation did not, by itself, mean that a case of copying had been made out for the purposes of establishing bad faith.

In her concluding comments, the PAR stressed that an allegation of bad faith was "a serious one, and should not be upheld unless it is distinctly proved and this was rarely possible by a process of inference". As such, the question which should be answered must always be whether the Applicant, in applying for the registration of the Application Mark "acted dishonestly and in a manner that falls short of the acceptable commercial behaviour as judged by reasonable and experienced persons adopting proper standards". In the PAR's view, the Applicant did not fall short of these standards.

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