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# IN THE HEARINGS AND MEDIATION DEPARTMENT OF THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE

### [2024] SGIPOS 10

Trade Mark No. 40202129376U

# IN THE MATTER OF A TRADE MARK APPLICATION IN THE NAME OF

#### PENTA SECURITY INC

... Applicant

#### AND AN OPPOSITION BY

#### **APPLE INC**

... Opponent

# **GROUNDS OF DECISION**

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# Apple Inc v Penta Security Inc

# [2024] SGIPOS 10

Trade Mark No. 40202129376U Principal Assistant Registrar See Tho Sok Yee 1 October 2024

18 December 2024

#### Principal Assistant Registrar See Tho Sok Yee:

#### Introduction

- 1 When a common word in the English language is incorporated into an invented word, what is the impact on public perception? The parties in this case take starkly opposing positions on the question.
- 2 Penta Security Inc ("the Applicant") is the applicant of an application to register the following in Singapore:

Trade Mark No.	40202129376U
Application Mark	WAPPLES
Class	9
Specification	Recorded computer software; recorded computer operating programs; recorded computer programs; computers; computer memories.
<b>Application Date</b>	3 December 2021

3 Apple Inc ("the Opponent") opposed the registration of the Application Mark.

#### **Background of parties**

- The Opponent was incorporated in California, USA, in 1977. It designs, manufactures and markets mobile communication and media devices and personal computers. It also sells related software, services, accessories, networking solutions and third party digital content and applications.
- The Opponent has over 525 retail store locations worldwide, including in Singapore. Its first "APPLE" retail store was opened in Singapore in 2017, though its products and services have been sold in Singapore through authorised resellers since 2007.
- Among other accolades, the "APPLE" brand was recognised by Interbrand as having the highest brand value in the world from 2013 to 2022. Forbes Magazine ranked the "APPLE" brand as the most valuable brand for the 10<sup>th</sup> year in a row in 2020.
- The Applicant is a company incorporated in South Korea in 1997. It provides IT-security offerings, including web and data security products, solutions and services. Products under the "WAPPLES" trade mark were developed to protect web applications and APIs (application programming interface) from unauthorised access and cyberattacks. Such products were first released in South Korea in 2005, and subsequently distributed in Singapore in 2010.
- 8 The Applicant was the "Application Security" winner at the "2020 Fortress Cyber Security Awards, Business Intelligence Group" in respect of the "WAPPLES" products.

#### **Grounds of opposition**

The Opponent relies on Section 8(2)(b), Section 8(4)(b), Section 8(7)(a) and Section 7(6) of the Trade Marks Act 1998 ("the Act") in this opposition.

### Opponent's evidence

- 10 The Opponent's evidence comprises the following:
  - (a) a Statutory Declaration made by Thomas R. La Perle, Senior Director in the Legal Department of the Opponent, on 3 October 2023 in California, USA; and
  - (b) a Statutory Declaration in Reply made by the same Thomas R. La Perle on 25 June 2024 in California, USA.

#### Applicant's evidence

11 The Applicant's evidence comprises a Statutory Declaration made by Tae Gyun Kim, Chief Executive Officer of the Applicant, on 14 February 2024 in South Korea.

#### Applicable law and burden of proof

There is no overall onus on the Applicant before the Registrar during examination or in opposition proceedings. The undisputed burden of proof in the present case falls on the Opponent.

#### Ground of opposition under section 8(2)(b)

- 13 Section 8(2)(b) of the Act reads:
  - (2) A trade mark shall not be registered if because —

• • •

(b) it is similar to an earlier trade mark and is to be registered for goods or services identical with or similar to those for which the earlier trade mark is protected,

there exists a likelihood of confusion on the part of the public.

- The Court of Appeal decision, *Staywell Hospitality Group v Starwood Hotels & Resorts Worldwide* [2014] 1 SLR 911 ("*Staywell*") at [15], adopted the "*step-by-step*" approach under Section 8(2)(*b*) of the Act. This may be summarised as follows:
  - (a) The first step is to assess whether the respective marks are similar.
  - (b) The second step is to assess whether there is identity or similarity between the goods or services for which registration is sought as against the goods or services for which the earlier trade mark is protected.
  - (c) The third step is to determine whether there exists a likelihood of confusion arising from the marks- and goods/services-similarities.
- The court made it clear that "the first two elements are assessed individually before the final element which is assessed in the round" (*Staywell* at [15]). If, for any one step, the answer is in the negative, the inquiry ends, and the opposition will fail.

#### Application of section 8(2)(b) to the facts

In the present case, the Opponent relies on the following earlier trade marks ("Earlier Marks").

Trade Mark No.	T8201324F
Application Mark	apple
Class	9

Specification	Computers and computer programs recorded
	on paper and tape.
<b>Application Date</b>	16 March 1982

Trade Mark No.	T0804669A
Application Mark	APPLE
Class	9
Specification	Computer hardware; computer hardware, namely, server, desktop, laptop and notebook computers; computer memory hardware; computer disc drives; optical disc drives; computer hardware, software and computer peripherals for communication between multiple computers and between computers and local and global computer networks; computer networking hardware; set top boxes; computer hardware and computer software for the reproduction, processing and streaming of audio, video and multimedia content; computer hardware and software for controlling the operation of audio and video devices and for viewing, searching and/or playing audio, video, television, movies, photographs and other digital images, and other multimedia content; computer monitors; liquid crystal displays; flat panel display monitors; computer keyboards, cables, modems; computer mice; electronic docking stations; stands specially designed for holding computer hardware and portable and handheld digital electronic devices; battery chargers; battery packs; power adapters for computers; electrical connectors, wires, cables, and adaptors; wired and wireless remote controls for computers and portable and handheld digital electronic devices; headphones and earphones; stereo headphones; in-ear headphones; microphones; audio equipment for vehicles, namely, MP3 players; sound

systems comprising remote controls, amplifiers, loudspeakers and components thereof; audio recorders; radio receivers; radio transmitters; personal digital assistants: portable digital audio and video players; electronic organizers; cameras; telephones; phones; videophones; computer gaming machines, namely, stand-alone video gaming machines; handheld and mobile digital electronic devices for the sending and receiving of telephone calls, electronic mail and other digital media; MP3 and other digital format audio and video players; portable and handheld digital electronic devices recording, organizing, transmitting, receiving, manipulating, playing and reviewing text, data, image, audio and video files; a full line of electronic and mechanical parts and fitting for portable and handheld digital electronic devices recording, organizing, transmitting, receiving, manipulating, playing and reviewing text, data, image, audio and video namely. headphones. files. microphones, remote controls, batteries, battery chargers, devices for hands-free use, keyboards, adapters; parts and accessories for mobile telephones, namely, mobile telephone covers, mobile telephone cases, mobile telephone covers made of cloth or textile materials, mobile telephone batteries, mobile telephone battery chargers, headsets for mobile telephones, devices for hands-free use of mobile telephones; carrying cases, sacks, and bags, all for use with computers and portable and handheld digital electronic devices; operating system programs; computer utility programs for computer operating systems; a full line of computer software for business, home, education, and developer use; computer software for use in organizing, transmitting, receiving, manipulating, playing and reviewing text, data, image, audio, and video files; computer programs for personal information management; database management software; character recognition software; electronic mail and messaging. software: telecommunications software for connecting wireless devices, mobile telephones, handheld digital electronic devices, computers, laptop computers, computer network users, global computer networks; database synchronization software; computer programs for accessing, browsing and searching online databases; computer software to develop other computer software; computer software for use as a programming interface; computer software for use in network server sharing; local and wide area networking software; computer software for matching, correction, reproduction of color; computer software for use in digital video and audio editing; computer software for use in enhancing text and graphics; computer software for use in font justification and font quality; computer software for use to navigate and search a global computer information network; computer software for use in word processing and database management; word processing software incorporating text, spreadsheets, still and moving images, sounds and clip art; computer software for use in authoring, downloading, transmitting, receiving, editing, extracting, encoding, decoding, playing, storing and organizing audio, video, still images and other digital media; computer software for analyzing and troubleshooting other computer software; computer graphics software; computer search engine software; website development software; computer software for remote viewing, remote control, communications and software distribution within personal computer systems and across computer networks; computer programs for

	file maintenance and data recovery; computer software for recording and organizing
	calendars and schedules, to-do lists, and
	contact information; computer software for
	clock and alarm clock functionality; computer
	software and prerecorded computer programs
	for personal information management;
	electronic mail and messaging software;
	computer programs for accessing, browsing
	and searching online databases; computer
	software and firmware for operating system
	programs; blank computer storage media; user
	manuals in electronically readable, machine
	readable or computer readable form for use
	with, and sold as a unit with, all the
	aforementioned goods.
<b>Application Date</b>	1 November 2007
	(priority date: 3 May 2007)

Trade Mark No.	T0003686G
Application Mark	APPLE
Class	9
Specification	Computers, computer terminals, keyboards, printers, computer monitors being visual display units; electronic visual display units, liquid crystal display units, video display units; computer terminals; modems; disc drives; computer peripherals; communications equipment; facsimile machines, answering machines, telephones-based information retrieval systems; adapters; adapter cards, connectors and drives; blank computer storage media, computer programs, operating systems, computer hardware, software and firmware; computer memory devices; sound, video and data recordings; cameras; fonts for computer printers; magnetic carriers with printers fonts recorded thereon; typeface fonts pre-recorded on

	magnetic media; typeface fonts stored in
	semiconductor memories for use in printers;
	chips, discs and tapes bearing or for recording
	computer programs and software; random
	access memory electronic cartridges and
	electronic discs; read only memory electronic
	cards, electronic cartridges and electronic
	discs; solid state memory apparatus;
	electronic communication equipment and
	instruments; telecommunications apparatus
	and instruments; computer and electronic
	games adapted for use with television
	receivers; related computer equipment for use
	therewith; interactive audio and video
	adapters for use with computers and consumer
	electronic devices; interactive computer
	software; multimedia computer software;
	interactive computers for use in training;
	interactive and multimedia display apparatus;
	interactive and multimedia educational games
	[adapted for use with television receivers
	only] and entertainment software for use with
	television receivers audio, and video
	apparatus and computer; interactive
	terminals; interactive audio and video
	instruments and apparatus; parts and fittings
	for all the aforesaid goods; all included in
	Class 9.
<b>Application Date</b>	9 March 2000
I I	

Trade Mark No.	40201723888P
Application Mark	APPLE
Class	9
Specification	Computers; computer hardware; handheld computers; tablet computers;
	telecommunications apparatus and instruments; telephones; mobile telephones;
	smartphones; wireless communication devices for the transmission of voice, data,

images, audio, video, and multimedia content; network communication apparatus; handheld digital electronic devices capable of providing access to the Internet and for the sending, and storing telephone calls, receiving, electronic mail, and other digital data; computer hardware; wearable wearable digital electronic devices capable of providing access to the Internet, for sending, receiving and storing of telephone calls, electronic mail, and other digital data; smartwatches; wearable activity trackers; electronic book readers; computer software; computer software for setting up, configuring, operating controlling computers, computer peripherals, mobile devices. mobile telephones, smartwatches, wearable devices, earphones, headphones, set top boxes, audio and video players and recorders, home theatre systems, and entertainment systems; application development software; computer game software; downloadable pre-recorded audio, video and multimedia content; computer peripheral devices; peripheral devices for computers, mobile telephones, mobile electronic devices. wearable electronic devices, smartwatches, earphones, headphones, set top boxes, and audio and video players and recorders; wearable peripherals for use with computers, mobile telephones, mobile electronic devices, smartwatches, earphones, headphones, set top boxes, and audio and video players and biometric identification recorders: authentication apparatus; accelerometers; altimeters; distance measuring apparatus; distance recording apparatus; pedometers; monitors, display screens, virtual augmented reality displays and controllers; goods; optical optical apparatus and instruments; cameras; flashes for cameras; keyboards, mice, mouse pads, printers, disk drives, and hard drives; sound recording and reproducing apparatus; digital audio and video players and recorders; audio speakers; audio amplifiers and receivers; voice recording and voice recognition apparatus; earphones; headphones; microphones; set top boxes; radios; radio transmitters receivers; global positioning systems (GPS devices); navigational instruments; remote controls for controlling computers, mobile electronic telephones. mobile devices. wearable electronic devices, smartwatches, earphones, headphones, audio and video players and recorders, televisions, set top boxes, speakers, amplifiers, home theatre systems, and entertainment systems; wearable devices for controlling computers, mobile telephones, mobile electronic devices, smart watches, earphones, headphones, audio and video players and recorders, televisions, set top boxes, speakers, amplifiers, home theatre systems, and entertainment systems; data storage apparatus; batteries; battery chargers; electrical and electronic connectors, couplers, wires, cables, chargers, docks, docking stations, and adapters for use with computers, mobile telephones, handheld computers, computer peripherals, mobile telephones, mobile electronic devices, wearable electronic devices, smartwatches, earphones, headphones, audio and video players and recorders, and set top boxes; interactive touchscreens; interfaces for computers. computer screens, mobile telephones, mobile electronic devices. wearable electronic devices, smartwatches, televisions, set top boxes, and audio and video players and recorders; parts and accessories computers, computer peripherals, mobile electronic telephones, mobile devices. wearable electronic devices, smartwatches, earphones, headphones, audio and video

	players and recorders, televisions, and set top boxes; covers, bags, cases, sleeves, straps and lanyards for computers, mobile telephones, mobile electronic devices, wearable electronic devices, smartwatches, earphones, headphones, set top boxes, and audio and video players and recorders; electronic agendas; dictating machines; measuring apparatus; remote controls
	apparatus; remote controls.
<b>Application Date</b>	29 September 2017
	(priority date 30 March 2017)

At the pre-hearing review on 24 July 2024, the Opponent, when asked, indicated that the primary mark on which it relies in the relative grounds of opposition, was Trade Mark No. T0804669A in respect of "APPLE". This does not detract from its reliance on the remaining Earlier Marks listed above, but provides a ready reference point. My analysis below is guided by Trade Mark No. T0804669A as a representative mark from among the Earlier Marks, but where there are differences in the remaining Earlier Marks to be elucidated, this will be done.

#### Step 1: Marks-similarity

18 Under the three-step test in *Staywell*, I first consider whether the Application Mark and the Earlier Marks are similar.

#### Visual similarity

The Opponent submits that "WAPPLES" and "APPLE" are visually similar. Its premise is that "APPLE" is the dominant and distinctive component of both marks. The five letters in "APPLE" are common to both marks, while the first letter in the Application Mark, "W", is heavily stylised and would be visually perceived as two diagonal lines and a shorter line or dot

rather than as the letter "W". The letters in common, "APPLE", also appear in the centre of the Application Mark.

- The Opponent submits that the competing marks here align with those in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 ("*Caesarstone*"). In *Caesarstone*, the device in the mark "Caesarstone" was not visually significant but the word element "CAESAR" was distinctive and dominant. All the more, here, the visual similarity is even greater because "APPLE" stands out to the average consumer in Singapore and "W" and "S" are given less weight visually.
- On the other hand, the Applicant submits that "WAPPLES" is visually different from "APPLE ". The average consumer would not dissect and perceive the Application Mark as "W-APPLE-S" or "W APPLE S" but view "WAPPLES" as a whole. The consistency in stylisation means that there is no special emphasis on the letter "W", which would not be misinterpreted as anything other than the letter "W". The Applicant further submits that the element "APPLE" has a very low level of distinctiveness as it is a very common English word used in everyday language. As such, the average consumer viewing the marks with imperfect recollection would focus on the differences between the marks and find them dissimilar overall.
- First, I consider the issue of distinctiveness of the Earlier Marks. The Court of Appeal in *Staywell* made clear at [25] that "a mark which has greater technical distinctiveness enjoys a high threshold before a competing sign will be considered dissimilar to it." The visual element "APPLE" in the Earlier Marks does not have a higher than average level of inherent technical distinctiveness. I am inclined to peg it at an average, medium level of inherent

technical distinctiveness. The Opponent's " APPLE " mark therefore does not enjoy the correspondingly high threshold that marks which are highly distinctive technically enjoy before competing marks are considered dissimilar.

- As for the Application Mark, visually, its distinctive and dominant component is the mark "WAPPLES" as a whole, and not, selectively, the five letters "A-P-P-L-E" incorporated within it. This is because the mark is consistently represented in one stylized font, in one colour, and in one general sizing where no one letter is particularly larger and visually more imposing than another. There is a unity of design which does not render the Application Mark susceptible to dissection when perceived visually. The consumer would view the Application Mark as "WAPPLES"; the Opponent's proposition on how the mark would be visually perceived, on the other hand, is contrived and unrealistic.
- Thus, I am not persuaded by the Opponent that "WAPPLES" and "APPLE " are visually similar. Trade Mark No. T8201324F, "
- ", which stands out among the Earlier Marks with its stylisation, is even more visually distinguishable from "WAPPLES".
- The Court of Appeal decision in *Caesarstone* does not help the Opponent here as the characteristics of the competing marks differ. The premise in *Caesarstone* is different as it was found that the distinctive and dominant component of "Caesarstone" is the word "caesar", as the word "stone" was "merely descriptive of the goods in Class 19" ([43]). However, I have found in the present case that the distinctive and dominant component of the

Application Mark is "WAPPLES" as a whole without dissection, and not the letters "A-P-P-L-E-S".

#### Aural similarity

The Opponent submits that the ordinary consumer in Singapore would pronounce the Application Mark in two possible ways. First, if he includes the first letter "W", then he would pronounce the mark as "wear-pples". In support of this pronunciation, the Opponent refers to the case of *Seiko Kabushiki Kaisha* (trading as Seiko Corporation) v Montres Rolex S.A. [2004] SGIPOS 8 ("Seiko") at [30] where the hearing officer recognized that:

When a person is faced with an unfamiliar word, there is a tendency for that person to reach within his own vocabulary of words and mentally look for words that have the same structure in the sense that the chronology of the alphabets is the same as the unfamiliar word.

Thus, according to this practice, "WAPPLES" would be pronounced similarly to "APPLES".

- The Opponent also referred to *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 ("*Festina*") at [49] where the High Court found that the marks "FESTINA" and "J.ESTINA" were aurally similar because of the stress on "estina". In like manner, the argument goes, the stress here would be on "apples" in both marks.
- Alternatively, the Opponent submits that the consumer may disregard "W" (because of its stylization) and pronounce the mark as "apples", which is nearly aurally identical to the Opponent's "APPLE" mark.

- The Applicant submits that the competing marks are pronounced very differently. The letters "W" at the beginning and "S" at the end of the Application Mark have distinct sounds and are very unlikely to be dropped in speech. Naturally, emphasis also falls on the first syllable, further highlighting the "W" sound.
- I consider the aural distinctiveness of the Opponent's Earlier Marks. The aural element of the "APPLE" mark, as pronounced, does not have a higher than average level of inherent technical distinctiveness. It would be fair to accord it an average, medium level of inherent technical distinctiveness, aurally speaking. It therefore does not enjoy "a high threshold before a competing sign will be considered dissimilar to it" aurally.
- I also consider that there are two possible tests for assessing aural similarity according to *Staywell* at [31] to [32]. First, the qualitative approach which considers the dominant and distinctive elements of the marks. Second, the quantitative approach which looks at whether the marks have more syllables in common than not.
- Using the qualitative approach, the aurally distinctive and dominant elements of each of the competing marks are the entirety of "WAPPLES" and "APPLE" themselves, without dissection. This is quite unlike the pair of marks "FESTINA" and "J.ESTINA" in *Festina* where, on the facts, the aural emphasis is on the element of "-estina". Thus, qualitatively, it cannot be said that the competing marks here are aurally similar because of their identical ending "-pples" because the latter is not the aurally distinctive and dominant element of the marks.

- Using the quantitative approach, the marks are also not more aurally similar than dissimilar. The only syllable in common is the suffix "-pples", while the prefixes, pronounced as "war-" and "air-", differ. In dual-syllabic marks, which are short in length, fifty percent aural commonality on its own cannot tip the scales in favour of a finding of aural similarity as the public would be used to differentiating between such short marks. It would also unduly limit the market and unduly limit traders' choice of trade marks if short marks of two syllables are readily found aurally similar if one syllable is in common.
- The Opponent suggested, above, an alternative pronunciation of the Application Mark as "wear-pples", rhyming with "apples", based on the *Seiko* case. This proposition is equivocal, as it is more likely that the average consumer would see the unfamiliar word, "WAPPLES", think of a more similar familiar word, "WAFFLES", and pronounce the Application Mark as "warpples", rhyming with "waffles". The first letter "W" is so tied up with the Application Mark as a whole that the consumer is unlikely to separate the following vowel "A" from "W" and link "A" to "PPLES" (to make the sound "apples") in pronunciation. The consumer is instead more likely to say "warpples" which rhymes with the known word "WAFFLES".
- Overall, whether qualitatively or quantitatively, I am not persuaded that the competing marks are aurally similar.

#### Conceptual similarity

The Opponent submits that the concept of the Earlier Marks is that of the fruit, apple. It further submits that the Application Mark evokes the same concept of an apple, because of the letters "APPLES" in it. There is therefore conceptual similarity.

- On the other hand, the Applicant submits that the Application Mark is an invented word and meaningless.
- 38 The Opponent's Earlier Marks have a medium level of conceptual inherent technical distinctiveness in relation to the Class 9 goods claimed. There is therefore no "high threshold" to be crossed before another mark is considered distinguishable from it. In any case, "APPLE" and "WAPPLES" are totally conceptually dissimilar. The former is a plain, simple English word referring to the apple, a fruit. The latter is invented, and has no meaning. There is therefore no conceptual comparison to begin with.
- I accordingly find that the competing marks are conceptually dissimilar.

Conclusion on marks-similarity

- 40 Overall, I find that "WAPPLES" and " APPLE " (and all versions of the Earlier Marks) are not similar, whether visually, aurally or conceptually.
- The following comments from Bytedance Ltd v Dol Technology Pte Ltd



[2024] SGIPOS 5 ("Bytedance"), where the competing marks are " **Tiki** " and "TikTok", at [60] are also applicable here:

Overall, I conclude that the marks are dissimilar. Indeed, to decide otherwise would mean that all two-syllable words starting with "TIC-" (e.g. "ticket", "ticker", "tictac") would automatically be considered to be similar to the Opponent's Word Mark. This cannot be the case.

In conclusion, since the Application Mark and the Earlier Marks are not visually, aurally nor conceptually similar, the Opponent has failed at the first

step of the 3-step *Staywell* test. The similarity of marks and that of the corresponding goods or services have been described as "threshold questions" embodying "necessary but not sufficient conditions" under Section 8(2)(b) (*Staywell* at [65]). As the "necessary" condition of marks-similarity has not been met, the inquiry effectively ends here and the Opponent fails under Section 8(2)(b) of the Act.

There is therefore no necessity to conduct an analysis of the remaining two steps of the three-step *Staywell* test. I will, however, leave a few brief comments below before proceeding to the remaining grounds of opposition.

#### Step 2: Goods-similarity

- At the hearing, the Applicant's counsel accepted that the respective goods of the parties are similar.
- This must be correct. Class 9 goods, such as computers, computer software and computer programs are common to the specifications of the Application Mark and the Earlier Marks.

#### Step 3: Likelihood of confusion

The Court of Appeal in *Staywell* set out, at [96], a non-exhaustive list of factors which are admissible in the confusion enquiry in the third step of the 3-step test. I comment on two of these factors only briefly in *obiter*, seeing as the Opponent has not established marks-similarity as a threshold requirement.

#### Reputation of the Earlier Marks

The Opponent submits that its Earlier Marks, comprising the word element "APPLE", enjoy a strong reputation in Singapore. The Applicant relies

on the decisions in *Mobil Petroleum Co, Inc* v *Hyundai Mobis* [2010] 1 SLR 512 ("*Mobil*") and *Apple Inc.* v *Xiaomi Singapore Pte Ltd* [2017] SGIPOS 10 ("*Xiaomi*") to counter the Opponent's argument.

- The *Staywell* decision, at [96(a)], refers to *Mobil* for the proposition that "a strong reputation does not necessarily lead to a higher likelihood of confusion, and could in fact have the contrary effect". In *Xiaomi*, involving the marks "IPAD" and "MI PAD", it was held at [79] that the reputation of the "IPAD" mark was likely to have an effect contrary to a likelihood of confusion, as its reputation was inextricably linked to the well known fact that Apple used an "I"-prefix family of marks and the fact that "MI PAD" did not have an "I"-prefix reduced the likelihood of confusion.
- In the present case, the Applicant points out that the Opponent's "APPLE" mark has always remained unchanged as such. It is combined with other words such as "APPLE TV", "APPLE MUSIC" and "APPLE PAY", but "APPLE" appears as "APPLE" and not a different spelling, nor in the plural form, "APPLES".
- I agree with the Applicant. Quite apart from the fact that the competing marks are dissimilar as wholes (my finding under the first step of the 3-step *Staywell* test), if one were to take the Opponent's assertion that "APPLE" enjoys a strong reputation in Singapore at face value, this would work to make the likelihood of confusion with "WAPPLES" even more remote.

#### *Nature of the goods*

As considered above under goods-similarity, the goods in common between the specifications of the competing marks are Class 9 goods, such as computers and computer software. According to the guidance in *Staywell*, at

[96(b)], one considers the nature of such goods and "whether they would tend to command a greater or lesser degree of fastidiousness and attention on the part of prospective purchasers".

- The Opponent claims that its customers are both innovation- and security-conscious organizations and individuals. Upon my query at the hearing, the Opponent also confirmed that its relevant consumers were both the general public and specialized consumers. It submitted that the degree of care exercised in the selection and purchase of its goods varied, depending on whether the customers were members of the general public, or specialist consumers.
- The Applicant submits that the nature of the goods is such that the relevant consumer would need to understand the specifications of the goods, and whether that met the consumer's requirements. Therefore, there would be a greater degree of care and attention in the purchase of the goods.
- The Applicant also cites the following passage from *Xiaomi* in support:
  - 85 On this aspect, tablet computers are inherently relatively complex articles which contain many technical features and specifications. Consequently, consumers will generally pay greater care and attention in purchasing such goods to ensure that the item they buy will have the technical features they need.
  - 86 In fact, consumers are also likely to carry out their "research" and "homework" before purchasing a tablet computer and this is supported by parties' evidence which shows a proliferation of numerous articles, reviews and comparisons related to the technical specifications and other details of tablet computers.
- Overall, I am persuaded that in respect of Class 9 goods, such as computers and computer software, whether the consumers are individuals or organizations, whether the goods are high end and costlier or at the lower end

and less costly, these goods still serve a technical function and prospective purchasers need to consider the specification and trade origin, and exercise care and diligence to determine whether the goods are in fact what they need and what they are looking for. It is also possible that consumers would be assisted by a knowledgeable sales person in the selection process of such goods. These factors would mitigate against a likelihood of confusion, *i.e.* the likelihood of confusion is more unlikely than likely.

#### Conclusion on likelihood of confusion

Thus, for a moment not considering that there was no marks-similarity found at the first step of the *Staywell* test, the Opponent would still fail at the third step of the test because there is no reasonable likelihood of confusion. The strong reputation of the Opponent's "APPLE" in its Earlier Marks leans away from a finding of confusion; and the nature of the goods in issue, such as computers and computer software, tends to involve a considered process of selection and purchase on the part of consumers such that confusion is less likely to occur.

#### Conclusion on opposition under section 8(2)(b)

The Opponent has not established that the competing marks are more similar than dissimilar. Even if it had, it would not be able to establish a likelihood of confusion. The ground of opposition under section 8(2)(b) therefore fails.

#### **Ground of opposition under Section 8(4)**

- Section 8(4) of the Act reads:
  - (4) Subject to subsection (5), where an application for registration of a trade mark is made on or after 1st July 2004,

if the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark, the later trade mark shall not be registered if –

- (a) the earlier trade mark is well known in Singapore; and
- (b) use of the later trade mark in relation to the goods or services for which the later trade mark is sought to be registered –
  - (i) would indicate a connection between those goods or services and the proprietor of the earlier trade mark, and is likely to damage the interests of the proprietor of the earlier trade mark;
  - (ii) if the earlier trade mark is well known to the public at large in Singapore
    - (A) would cause dilution in an unfair manner of the distinctive character of the earlier trade mark; or
    - (B) would take unfair advantage of the distinctive character of the earlier trade mark.

#### **Application of Section 8(4) to the facts**

- The common thread in Sections 8(2)(b), 8(4)(b)(i) and 8(4)(b)(ii) is the need for marks-similarity. *Bytedance* at [31] summarises as follows:
  - (c) However, in all cases, there is a threshold requirement that the Application Mark must be similar to the earlier trade mark relied on by the Opponent (see [28(b)] above): see Sarika Connoisseur Cafe Pte Ltd v Ferrero SpA [2013] 1 SLR 531 ("Sarika") at [70]–[71].
- The condition relating to marks-similarity in Section 8(4) is worded as "the whole or an essential part of the trade mark is identical with or similar to an earlier trade mark".
- I have earlier found under Section 8(2)(b) that the Application Mark and the Earlier Marks are not similar (neither are they identical). By the same token, it cannot be said that "the whole or an essential part of" the Application Mark is "identical with or similar to" the Earlier Marks.

#### Conclusion on opposition under Section 8(4)

The requisite element of marks-similarity is not established. The ground of opposition under Section 8(4) necessarily fails.

#### Ground of opposition under Section 8(7)(a)

- 63 Section 8(7)(a) of the Act reads:
  - (7) A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented
    - (a) by virtue of any rule of law (in particular, the law of passing off) protecting an unregistered trade mark or other sign used in the course of trade

..

- The Court of Appeal in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd* [2016] 4 SLR 86 summarised, at [28], that:
  - ... the main elements of the tort of passing off are encapsulated in the classical trinity of goodwill, misrepresentation and damage (see for example, *Novelty* at [37] and *Nation Fittings (M) Sdn Bhd v Oystertec plc* [2006] 1 SLR(R) 712 ("*Nation Fittings*") at [148]).
- It is clear from the above that misrepresentation is an essential element of the tort of passing off.

#### Application of Section 8(7)(a) to the facts

Under Section 8(2)(b), I have found that the competing marks are not similar. Neither would there be a likelihood of confusion among the relevant consumers. Accordingly, because of these findings, the Opponent would also not establish the element of misrepresentation under Section 8(7)(a).

#### Conclusion on opposition under Section 8(7)(a)

The ground of opposition under Section 8(7)(a) therefore fails.

#### **Ground of opposition under Section 7(6)**

68 Section 7(6) of the Act reads:

A trade mark must not be registered if or to the extent that the application is made in bad faith.

- The fundamental legal principles underlying the law on bad faith are set out in the Court of Appeal's decision in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 ("*Valentino*"):
  - (a) The term "bad faith" embraces not only actual dishonesty but also dealings which would be considered as commercially unacceptable by reasonable and experienced persons in a particular trade, even though such dealings may otherwise involve no breach of any duty, obligation, prohibition or requirement that is legally binding upon the registrant of the trade mark (*Valentino* at [28]).
  - (b) The test for determining bad faith contains both a subjective element (*viz*, what the particular applicant knows) and an objective element (*viz*, what ordinary persons adopting proper standards would think). Bad faith as a concept is context-dependent. In the final analysis, whether bad faith exists or not hinges on the specific factual matrix of each case (*Valentino* at [29]).
  - (c) Once a *prima facie* case of bad faith is made out by the alleging party, the burden of disproving any element of bad faith on the part of the responding party would arise (*Valentino* at [36]).

- (d) An allegation of bad faith is a serious claim to make and must be sufficiently supported by evidence. It must be fully and properly pleaded and should not be upheld unless it is distinctly proved, and this will rarely be possible by a process of inference (*Valentino* at [30]).
- (e) Once bad faith is established, the application for registration of a mark must be refused even though the mark would not cause any confusion (*Valentino* at [20]).

#### **Application of Section 7(6) to the facts**

- The Opponent submits that, given the strong reputation of the Earlier Marks, the compelling inference is that the Applicant was aware of the Earlier Marks when it applied for registration of the Application Mark, and it did so for an improper motive to misappropriate and/or leverage the goodwill and/or reputation in the Opponent's Earlier Marks. This is reinforced by the use of the stylised "W" element at the beginning of the Application Mark, which draws attention to the dominant and distinctive "APPLE" word element which is present in the Application Mark and wholly comprises each of the Earlier Marks.
- The Applicant submits that it has used its Application Mark on its own goods and has its own goodwill and reputation. It does not need to ride on the goodwill and reputation of the Earlier Marks claimed by the Opponent.
- 72 The Applicant cites *Google LLC* v *Green Radar (Singapore) Pte Ltd* [2024] SGIPOS 1 at [101] in support:

Mere knowledge of a prior exclusive proprietary right, even if shown to be a well known one, cannot in and of itself mean that registration of a similar mark (if so established at all) was done in bad faith. Something more in the circumstances would need to be shown to demonstrate why such knowledge, if possessed by an ordinary person in those circumstances, would then render the registration of the Application Mark a departure from market practice that falls short of the standards of acceptable commercial behaviour.

To my mind, even if the Applicant were aware of the Earlier Marks (exemplified by " APPLE ") at the time "WAPPLES" was conceived, it is difficult to see how the choice of the Application Mark "would be considered as commercially unacceptable by reasonable and experienced persons" in the trade. The Application Mark is an invented word, and is, on its own merit, distinctive and dominant as a whole. The fact that it contains the letters "A-P-P-L-E" is incidental and does not offend the sensibilities of "ordinary persons adopting proper standards".

#### Conclusion on opposition under Section 7(6)

74 The Opponent has not discharged its burden of proving bad faith. The ground of opposition under Section 7(6) therefore fails.

#### **Overall conclusion**

Having considered all the pleadings and evidence filed and the submissions made in writing, I find that the opposition fails under all grounds. The Application Mark may proceed to registration.

Having considered the parties' submissions and HMD Circular 6.1 at Part F, I award costs to the Applicant as follows:

(a) Party and party costs: \$7,526.50

(b) Disbursements: \$1,396.90

The total assessed costs to be paid by the Opponent to the Applicant are \$8,923.40.

See Tho Sok Yee Principal Assistant Registrar

> Gerald Samuel, Kwok Tat Wai and Kimberly Chen (Marks & Clerk Singapore LLP) for the Applicant; Andy Leck, Sanil Khatri and Samuel Lim (Wong & Leow LLC) for the Opponent.