



Study Question

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Bad faith trademarks

Responsible Reporter: Anne Marie VERSCHUUR

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I. Current law and practice

Bad faith - prior third party use or filing

1 Does your Group's current law provide for an action against the application or registration for a trademark in a jurisdiction by a party (Party A), if that trademark or a similar sign is already used in one or more jurisdictions by another party (Party B), but is not registered in the jurisdiction where Party A has filed the trademark?

If yes, please answer questions 2) – 7). If no, please go to question 8).

No

Please Explain

2 Is the application or registration as described under question 1) above denoted as "bad faith"? If not, what is it called?

3 Are the following factors relevant for proving an application or registration as described under question 1) in your jurisdiction?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

4 Is any one or more of the above factors sufficient on their own, or will the assessment instead always take the specific circumstances of the case into account? If one or more of those factors are sufficient on their own, please identify those factors.

5 Which of the following factors are relevant to establishing whether there was or should have been knowledge as described under question 3) above?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

6 Is the degree of similarity between the signs relevant? Please explain why in either case.

7 Is the degree of similarity between the goods/services relevant? Please explain why in either case.

Repeat filings

8 Can the filing of a trademark in your Group's jurisdiction by a trademark owner for a trademark identical or similar to a trademark it already owns in that jurisdiction be refused or cancelled on the ground that the previous trademark fails to meet applicable genuine use requirements?

If yes, please answer questions 9) -11). If no, please go to question 12).

No

Please Explain

No. The above is not a bar to filing a trademark

9 Is the application or registration as described under question 8) above denoted as "bad faith"? If not, what is it called?

10 Which of the following factors are relevant when assessing whether a trademark as described under question 8) should be refused or cancelled?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select "other", please describe further.

11 Are the answers to questions 8) -10) above different if the previous trademark is no longer in force? Please explain.

Defensive marks

12 Is it permissible under your Group's current law to file a trademark if the trademark owner does not have any intent to use that trademark for part or all of the goods/services claimed? If not, is there a timeframe (and if so, what) for such intention to use (e.g. must the intent be to start use immediately)?

If yes, please answer question 13). If no, please go to question 14).

No

Please Explain

No, on the basis that the applicant is required to state that he has used or has bona fide intention to use the proposed trade mark under div 5(2)(e) of the Trade Marks Act 1998. Such an intention must be present at the point of application. However in practice, such applications may secure registration if there are no objections from the Registrar and/or 3rd parties. A registration may be vulnerable to a non-use revocation action if it has not been put to use for a period of 5 years.

13 Is the application or registration as described under question 12) above denoted as "bad faith"? If not, what is it called?

Other

14 Does any other conduct in respect of trademarks, as an independent ground for action, amount to bad faith¹⁶ under your Group's current law? If so, what conduct and how is it denoted, ie as "bad faith" or something else?

¹⁶ Including fraud within the context of this Study Question, as explained on p. 1 at paragraph 5.

Section 7(6) of the Trade Marks Act 1998 provides that:

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

Section 8 of the Trade Marks Act 1998 provides for the relative grounds for the refusal of a registration. One of the grounds is that a trade mark shall not be registered if it is, *inter alia*, similar or identical to an earlier trade mark which is well-known in Singapore. Section 8(5) provides that a trademark shall not be refused registration if the application for the registration of the trademark was filed before the earlier trademark became well-known in Singapore, unless it is shown that the application was made in bad faith. Section 8(6) provides that in deciding whether any such application was made in bad faith, it is relevant to consider whether at the time the application was made, the applicant had knowledge of or had reason to know of the earlier mark.

The Trade Marks Act 1998 does not define the term "bad faith". However, the concept of bad faith registration or application is not unknown to Singapore trade mark lawyers. Under the old law i.e. Trade Marks Act (1992 Rev Ed), bad faith applications mostly occurred in cases where the trade mark applicant was found not to have used or had no intention to use the mark for which he had applied (see s 12(1) where any person claiming to be the proprietor of a trade mark used or proposed to be used by him who is desirous of registering it shall apply in writing to the registrar in the prescribed manner for registration in Part A or B of the register).

With the enactment of div 7(6) of the Trade Marks Act 1998 bad faith is a distinct absolute ground of refusal and is quite separate from div 5(2)(e) of the current TMA requiring use or a *bona fide* intention to use by a trade mark applicant. Arguably, an applicant who has no intention to use the trade mark he is applying for falls foul of div 7(6) for a bad faith application and also div 5(2)(e).

As div 7(6) of the Trade Marks Act 1998 is *in pari materia* with its counterpart in the English Trade Marks Act 1994 (s 3(6)), it is useful to examine the legal principles on this topic emanating from the UK cases. The courts in the UK have described the scope of the bad faith provision as "notoriously unclear" (*Tesco Stores Ltd's Trade Mark Applications* [2005] RPC 361 at 370) but over the years, a body of case law has been established by the courts involving the bad faith provision. The UK "bad faith" cases may be broadly categorised into two groups:

- (a) ownership of the trade mark and knowledge of third-party claims; and
- (b) intention to use the trade mark and width of specification of goods and services.

The Court of Appeal in *Wing Joo Loong Ginseng Hong (Singapore) Co Pte Ltd v Qinghai Xinyuan Foreign Trade Co Ltd* [2009] 2 SLR(R) 814 held that bad faith "includes dishonesty and ... some dealings which fall short of the standards of acceptable commercial behaviour observed by reasonable and experienced men in the particular area being examined".

The Singapore High Court in *Rothmans of Pall Mall Ltd v Maycolson International Ltd* [2006] 2 SLR(R) 551 held that under the Trade Marks Act 1998, a trade mark applicant is under an *affirmative duty* to inquire into the *bona fides* of a mark before seeking registration (at [19]). Failure to do so would result in the court making a finding that the application for registration was made in bad faith. It appears that other factors such as knowledge of foreign proceedings also appear to be equally important in the assessment of whether a trade mark application is made in bad faith.

In *Weir Warman Ltd v Research & Development Pty Ltd* [2007] SGHC 59, the High Court added a gloss in its holding that "where one does not deny awareness of material facts surrounding the registration of a trade mark, and relies instead on an independent right to register...there should not be any basis for creating a broad and general "duty to disclose" on the registrant".

Type of proceedings

15 In which proceedings can the grounds, insofar as they are available under your Group's current law, described in your response to questions 1), 8), 12) and 14) above be invoked in your jurisdiction?

Please tick or fill in all boxes as applicable to your jurisdiction. If you select either of the last two boxes, please describe further.

- ex officio by the trademark/IP office

Please Explain

- opposition proceedings (before the trademark/IP office)

Please Explain

- a cancellation action (before the trademark/IP office)

Please Explain

- court proceedings concerning a bad faith application

Please Explain

- court proceedings concerning a bad faith registration

Please Explain

II. Policy considerations and proposals for improvements of your current law

6.a Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against the application or registration of a trademark in a jurisdiction by a Party A, if that trademark or a similar sign is already used in one or more jurisdictions by a Party B, but is not registered in the jurisdiction where Party A has filed the trademark

Please tick or fill in only the applicable box. If you select "yes", please explain.

Yes

Please Explain

It is still uncertain as to the extent of which such an action may be deemed "bad faith".

6.b Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against or refusing the refiling of a trademark by a trademark owner as described above under question 8) above

Please tick or fill in only the applicable box. If you select "yes", please explain.

No

Please Explain

6.c Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against or refusing the filing of a trademark by a trademark owner without an intent to use such for part or all of the goods/services claimed as described above under question 12) above.

Please tick or fill in only the applicable box. If you select "yes", please explain.

Yes

Please Explain

It is unclear whether such applications would be objected to.

6.d Could any of the following aspects of your Group's current law be improved?

The possibility of taking action against other conduct as described in your response to question 14) above.

Please tick or fill in only the applicable box. If you select "yes", please explain.

No

Please Explain

It is important to keep this area of law and the categories of "bad faith" flexible.

17 Are there any other policy considerations and/or proposals for improvement to your current law falling within the scope of this Study Question?

No

Proposals for harmonisation

18 Does your Group consider that harmonisation in any or all of the four areas described in question 16) above is desirable?

If yes, please respond to the following questions without regard to your Group's current law.

Even if no, please address the following questions to the extent your Group considers your Group's current law could be improved.

Yes

Please Explain

It would increase the level of legal certainty.

19 Does your Group consider there should be a harmonised definition of bad faith?

Please tick or fill in only the applicable box. If you have different reasons for selecting "no" or "yes" to those identified, please explain.

Yes; such would increase the level of legal certainty

Please Explain

Bad faith - third party use or filing

20 Should it be possible to take action against the application or registration for a trademark in a jurisdiction by a Party A, if that trademark or a similar sign is already used in one or more jurisdictions by a Party B, but is not registered in the jurisdiction where Party A has filed the trademark?

If yes, please answer questions 21) – 25). If no, please go to question 26).

Yes

Please Explain

Yes, if Party B's mark is sufficiently well-known in Singapore and/or if Party B can particularise Party A's act of bad faith for eg. Party A was an ex-distributor of Party B, there are existing grounds in the Trade Marks Act which Party B can rely on against Party A.

21 Which of the following should be relevant factors for proving an application or registration as described under question 20)?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

- other

Please Explain

The considerations set out under question 14 are referred to.

22 Should any one or more of the above factors be sufficient on their own, or should the assessment instead always take the specific circumstances of the case into account? If one or more factors should be sufficient on their own, which should they be?

23 Which of the following should be relevant when establishing whether there was or should have been knowledge as described above under question 21) above?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

- other

Please Explain

NA

24 Should the degree of similarity between the signs be relevant? Please explain why or why not.

Yes

Please Explain

25 Should the degree of similarity between the goods/services be relevant? Please explain why or why not.

Yes

Please Explain

Repeat filings

26 Should it be possible to refuse or cancel the filing by a trademark owner of a trademark identical or similar to a trademark it already owns in your Group's jurisdiction on the grounds that it fails to meet applicable genuine use requirements?

If yes, please answer questions 27) – 28). If no, please go to question 29).

No

Please Explain

It should not be a bar to filing a trademark. There are legitimate reasons for repeat filings for eg. companies may not be able to enter the market in time for commercial reasons. A safeguard by way of the non-use provisions is in place.

27 Which of the following factors should be relevant when assessing whether a trademark as described under question 26) above should be refused or cancelled?

Please tick or fill in all relevant boxes. If you select "other", please describe further.

28 Should the answers to questions 26) - 27) above be different if the previous trademark is no longer in force? if so, how?

Defensive marks

29 Should it be permissible to file a trademark if the trademark owner does not have any intent to use that trademark for part or all of the goods/services claimed? If not, should there be a timeframe (and if so, what) for such intention to use (e.g. must the intent be to start use immediately)? Please explain.

No. It would provide too wide a monopoly especially when the applicant already has registrations for the goods that are of interest.

Other

30 Should any other conduct in respect of trademarks, as an independent ground for action, amount to bad faith¹⁷? If yes, please explain.

¹⁷ Including fraud within the context of this Study Question, as explained on p. 1 under paragraph 5 above.

No

Type of proceedings

31 In which proceedings should it be possible to invoke the grounds described in your response to questions 20), 26), 29) and 30) above, insofar as they should be grounds for action in your view?

Please tick or fill in all boxes. If you select either of the last two boxes, please describe further

- ex officio by the trademark/IP office

Please Explain

- opposition proceedings (before the trademark/IP office)

Please Explain

- a cancellation action (before the trademark/IP office)

Please Explain

- court proceedings concerning a bad faith application

Please Explain

- court proceedings concerning a bad faith registration

Please Explain

Other

32 Please comment on any additional issues concerning bad faith (or equivalent concepts) in the context of trademark law you consider relevant to this Study Question.

Please indicate which industry sector views are included in part "III. Proposals of harmonization" on this form:

Please enter the name of your nominee for Study Committee representative for this Question (see Rule 12.8, Regulations of AIPPI). Study Committee leadership is chosen from amongst the nominated Study Committee representatives. Thus, persons not nominated as a Study Committee representative cannot be in the Study Committee leadership.

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