Co-existence: An Important Gamechanger in Trade Mark Conflicts

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In this Update

In the Intellectual Property Office of Singapore decision in Sociedad Anonima Damm v Hijos de Rivera, S.A. [2022] SGIPOS 6, the finding that the disputing parties’ trade marks had co-existed in the Singapore market for 7 years without a single instance of confusion was an “especially weighty” factor pointing away from a likelihood of confusion.

This article examines the decision and considers some of the lessons that can be drawn from it.
SUMMARY OF THE DECISION

The Intellectual Property Office of Singapore decision of Sociedad Anonima Damm v Hijos de Rivera, S.A. [2022] SGIPOS 6 concerned an application by Hijos de Rivera, S.A. (‘Applicant’) to register the trade mark “” (“Application Mark”) in Class 32 in respect of “Beer” and an opposition thereto by Sociedad Anonima Damm (‘Opponent’).

The Opponent relied on three grounds in the opposition, namely, the following provisions of the Trade Marks Act 1998 (2020 Rev Ed) (“TMA”):

- section 8(2)(b) (where the Application Mark is confusingly similar to the Opponent’s earlier mark);
- section 8(4)(b)(i) (where use of the Application Mark would indicate a connection with the Opponent due to the Opponent’s earlier well-known mark); and
- section 8(7)(a) (where use of the Application Mark would give rise to passing-off).

On the section 8(2)(b) ground, the IP Adjudicator held that the Application Mark was dissimilar to the Opponent’s earlier registered trade mark, “ESTRELLA DAMM”. The opposition under this ground therefore failed. On the section 8(4)(b)(i) ground, the IP Adjudicator held that the Opponent’s evidence was insufficient to show that its trade marks were well-known in Singapore. The opposition based on this ground therefore also failed.

Turning to the section 8(7)(a) ground, the Applicant did not dispute that the Opponent had goodwill in Singapore. However, in considering whether misrepresentation would arise, the IP Adjudicator found, among other things, that both the Applicant’s beers and the Opponent’s beers, each bearing their respective trade marks, had been sold in Singapore for at least 7 years, and had therefore co-existed in the market for that period. He also noted that the Opponent could not point to a single instance of confusion by consumers or traders for this fairly long period. To the IP Adjudicator, this was very strong evidence that there is not likely to be any confusion, and the ground of opposition under section 8(7)(a) of the TMA therefore failed.

COMMENTARY

This decision is notable for its unusual circumstances – it is rare for the disputing parties’ trade marks to have co-existed in Singapore for such a long time. Indeed, the IP Adjudicator had himself observed that in most opposition proceedings, the applicant would not even have entered the market as at the time of proceedings. However, should businesses find themselves in the Applicant’s position (ie where the opposition challenge is
brought at a time after it has had a long period of use), then it behoves the business to establish, via evidence, that there had been co-existence of the competing trade marks for the duration claimed. Therefore, it is important for an applicant in this position to keep good evidence of use of its trade marks in Singapore. This is especially important for niche goods or services, where it would be difficult to locate evidence of use years later when a dispute arises.

Good practices for businesses would include ensuring that documents and records, including photographs, are properly dated, and maintaining diligence in keeping records for as long as possible, even if no proceedings are being contemplated.

Keypoint

It is important for businesses to keep good evidence of use of their trade marks in Singapore, especially when their trade marks are used in relation to niche goods or services.

Keypoint

Delays in bringing action can be costly and ultimately detrimental to the protection of your trade mark.

As for parties seeking to assert their trade mark rights in Singapore, this decision spotlights the importance of avoiding undue delays in taking action against competing trade marks. Should the adverse party be able to adduce convincing evidence to establish that the competing trade marks have been co-existing peacefully in Singapore, this could be detrimental to an action brought by the first party.

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