

**IN THE HEARINGS AND MEDIATION DEPARTMENT OF
THE INTELLECTUAL PROPERTY OFFICE OF SINGAPORE
REPUBLIC OF SINGAPORE**

Trade Mark No. 40201708586R
3 August 2021

IN THE MATTER OF A TRADE MARK REGISTRATION BY

HEETEA PTE. LTD.

AND

APPLICATION FOR DECLARATION OF INVALIDITY THERETO BY

SHENZHEN MEIXIXI CATERING MANAGEMENT CO., LTD.

Hearing Officer: Ms Sandy Widjaja
Principal Assistant Registrar of Trade Marks

Representation:

Ms. Catherine Lee / Mr. Desmond Chew (Rodyk IP) for the Applicant

The Registered Proprietor is represented by Ms Vicki Heng (Vicki Heng Law Corporation) in these proceedings but elected not to file written submissions and did not attend the hearing

GROUND OF DECISION

1 In this dispute, the subject mark, 40201708586R ("**Registered Mark**"):

HEYTEA

is registered for:

Beverages with tea base; Tea; Fruit tea; Green tea; Oolong tea; Orange flavoured tea; Tea-based beverages with fruit flavoring

in Class 30 by **HEETEA PTE. LTD.** (the “**Registered Proprietor**”).

2 The date of registration is 12 May 2017 (“**Relevant Date**”).¹ On 12 December 2019,² *Shenzhen Meixixi Catering Management Co., Ltd.* (the “**Applicant**”) filed its application for a declaration of invalidity. The matter was set down for a hearing on 3 August 2021.

3 On 5 July 2021, the **Registered Proprietor** informed that “being a small family-run business, [it has] decided to deploy [its] resources into business operations”³ and as such requested that “the hearing proceed without [its] attendance and on the basis of the matters attested to in the **Registered Proprietor’s** [evidence]”.⁴

4 On 7 July 2021, the Registrar urged the **Registered Proprietor** to minimally file “written submissions (and accompanying bundle of authorities), even if skeletal, to assist the Registrar ...[to] better understand its position”⁵ since this does not entail any filing fee. However, the **Registered Proprietor’s** agent replied⁶ that it has received “express instructions not to incur further costs in this matter” and that the **Registered Proprietor** only wished to “draw the Registrar’s attention to **paragraphs 4, 16, 17 and 18** of the **Registered Proprietor’s** [evidence]”.⁷

5 In light of the above, the oral hearing proceeded on 3 August 2021 **without** the attendance **nor** any written submissions⁸ by the **Registered Proprietor**.

Grounds of Invalidation

6 The **Applicant** relies on section 23 read with sections 8(2), 8(4)(b)(i), 8(7) and 7(6) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (“**Act**”) in this invalidation.

Evidence and written submissions

7 The evidence comprises the statutory declarations of:

¹ See also [14] of the Applicant’s written submissions.

² This is the amended statement of grounds. The original statement of grounds was filed on 25 November 2019.

³ The **Registered Proprietor’s** letter of 5 July 2021.

⁴ The **Registered Proprietor’s** letter of 5 July 2021.

⁵ IPOS letter of 7 July 2021.

⁶ **Registered Proprietor’s** letter of 21 July 2021.

⁷ The main point of these paragraphs is that the **Relevant Date** is **earlier** than the date when the **Applicant** entered the Singapore market (sometime in November 2018).

⁸ And corresponding bundle of authorities.

- (i) Ms. Chen Hailun, Legal Director for the **Applicant**, dated 8 September 2020 (“**Applicant’s SD**”);
- (ii) The same Ms. Chen, dated 10 October 2020 (“**Applicant’s Supplementary SD**”); and
- (iii) Ms Zhang Aping, Director of the **Registered Proprietor**, dated 10 February 2021 (“**Registered Proprietor’s SD**”).

8 As indicated above, only the **Applicant** submitted written submissions on 5 July 2021 (“**AWS**”).

Applicable Law and Burden of Proof

9 Under section 101(c)(i) of the **Act**, “the registration of a person as proprietor of a registered trade mark shall be *prima facie* evidence of the validity of the original registration”. Thus, the burden of proof lies with the **Applicant** to establish the grounds of invalidity on a balance of probabilities.

Background

10 The **Applicant** deposed that it is the owner and distributor of the tea chain and tea brand “HEYTEA 喜茶”.⁹ The **Applicant** has been in operation since 2012 when it opened its first tea shop in Jiuzhong Street in Jiangmen, China, and was then known as “皇茶¹⁰ ROYALTEA”. In 2016, the **Applicant** rebranded to “HEYTEA 喜茶” in order to distinguish itself from competitors and imitator brands.¹¹

11 The **Applicant** further deposed that it is known for being the first to introduce “cheese tea”, a beverage that combines a salty layer of cheese foam on top of fresh tea.¹²

12 Since its establishment, the **Applicant** has expanded its operations and internationalised the “HEYTEA 喜茶” brand in various countries. Presently, the **Applicant** has 500 stores in mainland China, Hong Kong and Singapore, employing more than 10,000 employees.¹³

13 The **Applicant** relies on the following earlier mark, registered on 23 January 2017:¹⁴

⁹ The meaning of “HEYTEA” is not provided in the evidence by the **Applicant** but the literal translation of the Chinese characters “喜茶” (“xi cha”) is “Happy Tea”. In that regard, the dictionary meaning of “喜” and “茶” respectively can be found at Exhibit 5 of the **Registered Proprietor’s SD** on pages 48 and 49.

¹⁰ The transliteration of the Chinese words is “huang cha”, and the literal translation is “Royal Tea”.

¹¹ At [3] of the **Applicant’s SD**.

¹² At [4] of the **Applicant’s SD**.

¹³ At [5] of the **Applicant’s SD**.

¹⁴ At [5] **AWS**.

S/N	<i>Applicant's Earlier Mark</i>	Class
1	 HEYTEA	<u>Class 43</u> Cafés; Café services; Restaurant services; Self-service restaurant services; Canteen services; Snack-bar services; Teahouse services; Bar services; Hotel services; Hotel information; Catering services; Food and drink catering; Cafeteria services.
	40201701447Y	

14 On its part, the **Registered Proprietor** deposed that it has operated kiosks or stalls selling tea-based beverages since November 2017 in Singapore.¹⁵ The **Registered Proprietor** explained that the idea for this business came about in early 2017, when it chanced upon a Japanese entertainment programme which featured tea-based beverages for the particular episode. The **Registered Proprietor** thought that the product may be well received in Singapore since it was gaining popularity in Japan.¹⁶

MAIN DECISION

15 I will proceed to analyse the objections under section 8(2)(b) and section 7(6) first as the **Applicant** indicated¹⁷ that these are its strongest grounds for invalidation.

Ground of Invalidation under Section 23 read with Section 8(2)

16 The relevant provisions are:

23(3) The registration of a trade mark may be declared invalid on the ground —

- (a) that there is an earlier trade mark in relation to which —
 - (i) the conditions set out in section 8(1) or (2) apply...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

Section 8(2) provides:

8(2) A trade mark shall not be registered if because -

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

¹⁵ At [5] of the **Registered Proprietor's SD**.

¹⁶ At [7] of the **Registered Proprietor's SD**.

¹⁷ At the oral hearing.

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

Decision on Section 23 read with Section 8(2)

17 The ***Applicant*** submitted that the ***Applicant’s Earlier Mark*** is ***identical*** (and not just ***similar***) to the ***Registered Mark***. If so, the relevant statutory provision would be section 8(2)(a) and not section 8(2)(b).

18 In any event, the applicable test is the same¹⁸ regardless of the applicable provision. In this regard, I agree with the ***Applicant*** that:¹⁹

[18] The differences between Section 8(2)(a) and Section 8(2)(b) were summarised in *Daidoh Limited v New Yorker S.H.K. Jeans GmbH & Co. KG* [2018] SGIPOS 18 (“**New Yorker**”) at [17]:

“Section 8(2)(a) differs from 8(2)(b) TMA in only two material aspects. One: the former is concerned solely with identical trade marks (and not similar trade marks). Two: the former only deals with situations where the goods or services are similar (but not identical). Notwithstanding these differences, both paragraphs are structured in the same way. Therefore, it must logically follow that the three step test set out in Staywell applies, with the appropriate modifications, to Section 8(2)(a) TMA as well.”

[Emphasis by the ***Applicant***]

Step-by-step approach

19 In *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc* [2014] 1 SLR 911 (“**Staywell**”), the Court of Appeal re-affirmed the 3-step test approach in relation to an objection under section 8(2)(b):²⁰

- (i) Under the step-by-step approach, the three requirements of similarity of marks, similarity of goods or services, and likelihood of confusion arising from the two similarities, are assessed systematically. The first two elements - namely similarity or identity of the marks and similarity or identity of the goods / services - are assessed individually before the final element which is assessed in the round.
- (ii) Once the two threshold requirements have been met, the issue of the likelihood of confusion arises and the tribunal / court is directed to look at (a) *how* similar the marks are, (b) *how* similar the goods / services are, and (c) given this, how likely the relevant segment of the public will be confused.

¹⁸ Subject to any appropriate adaptations of course.

¹⁹ At [18] ***AWS***.

²⁰ At [15] and [55] of ***Staywell***.

Identity or Similarity of Marks

20 The law in relation to this issue is not in dispute.²¹ While bearing in mind that the marks are not to be compared side by side, for ease of reference, the marks are:

S/N	<i>Applicant's Earlier Mark</i>	<i>Registered Mark</i>
1	HEYTEA	HEYTEA

21 With regard the issue of whether the competing marks are identical under section 8(2)(a), the **Applicant** submitted:²²

[25] [The] principles were helpfully summarised in *Mitac International Corp v Singapore Telecommunications Ltd* [2009] 4 SLR(R) 961 (HC) (“**Mitac**”) at [93] (which has been also affirmed in *New Yorker* at [20]):

“... the law may be summarised as follows: there is identity between any sign/mark complained of and the registered trade mark where, first, the former reproduces without any modification or addition all the elements constituting the latter, or where viewed as a whole, the sign/mark complained of contains differences so insignificant that they may go unnoticed by an average consumer.”

[Emphasis by the **Applicant**]

I agree.

22 When comparing the marks, three aspects are considered: visual, aural and conceptual. In the present case, it is clear that the marks are aurally and conceptually identical.

23 With regard to the visual comparison, the **Applicant** submitted:²³

[27]...If the Registrar is to closely scrutinise the two marks, the learned Registrar would find that the only differences are as follows:

- (i) the letters in the [**Registered Mark**] has thicker strokes;
- (ii) the horizontal strokes in the [**Registered Mark**] are placed at slightly higher positions; and

²¹ *Staywell* at [15] to [30] and at [40(c)] and [40(d)] *Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd and another and another appeal* [2013] 2 SLR 941 (“**Hai Tong**”).

²² At [25] **AWS**.

²³ At [27] and [28] **AWS**.

(iii) the letters in the [**Registered Mark**] are spaced slightly closer to each other.

[28] *Such perfunctory differences are de minimis, and will not stand out in the average consumers' imperfect recollection...* the [**Registered Mark**], where viewed as a whole, contains *insignificant difference* that are likely to be unnoticed by an average consumer. Therefore, the [**Registered Mark**] is *visually identical* with the [**Applicant's Earlier Mark**].

[Emphasis in bold and italics mine]

I agree.

24 In any event, even if the marks are not identical, in light of the minor differences outlined above, it is clear that they are *at the very least highly similar*.

Similarity of Goods / Services

25 For ease of reference, the relevant goods and services are as follows:²⁴

<i>Applicant's Earlier Mark</i>	<i>Registered Mark</i>
<u>Class 43</u> Cafés; Café services ; Restaurant services; Self-service restaurant services; Canteen services; Snack-bar services; Teahouse services; Bar services; Hotel services; Hotel information; Catering services; Food and drink catering; Cafeteria services.	<u>Class 30</u> Beverages with tea base ; Tea; Fruit tea; Green tea; Oolong tea; Orange flavoured tea; Tea-based beverages with fruit flavoring

26 As the **Applicant** submitted:²⁵

[34]... the fact that the **Applicant's** services and the [**Registered Proprietor's**] goods are in different classes *does not necessarily preclude* them from being similar (*Genzyme Corporation v Novozymes Switzerland AG* [2010] SGIPOS 11 at [42])...

[35] Further, the fact that the [**Applicant's Earlier Mark**] covers services whereas the [**Registered Mark**] covers goods also *does not preclude* a finding of similarity. In support of this proposition, the Registrar in *New Yorker* at [33] cited Jacob J's comment in *British Sugar* at 297:

... I do not see any reason in principle why, in some cases, goods should not be similar to services (a service of repair might well be similar to the goods repaired, for instance).

²⁴ At [33] **AWS**.

²⁵ At [34] – [37], [44] **AWS**.

[36]...based on the foregoing Jacob J’s statement, the Registrar went even further to conclude at [39] that “surely it must follow that the **service of retailing a specific good ought to be similar to the good itself.**” (emphasis in original) On this basis, the Registrar in *New Yorker* dispensed with considering the *British Sugar* factors and concluded that Class 25 goods (clothing) and Class 35 services (retail services with regard to clothing) are similar...

[37] Pertinently, the issue of whether beverages in Class 32, and café / restaurant in Class 43 are similar was squarely addressed in [*Monster Energy Company v Chun-Hua Lo* [2017] SGIPOS 17 (“*Monster Energy*”)] and answered in the affirmative. There, the Registrar held at [123] that there is similarity between the following goods and services

Opponent’s earlier mark in <i>Monster Energy</i> [Class 32 specification]	Application mark in <i>Monster Energy</i> [Class 43 specification]
Beverages; fruit juices [beverages]; aerated fruit juices; soda water; vitamin enriched non-alcoholic beverages [vitamins not predominating]; isotonic beverages and drinks; energy drinks.	Bar services; cafés; cafeterias; restaurants; self-service restaurants; snack-bars.

....

[44] Ultimately, the crux of the inquiry is how the trade views the goods and services in practice (*Monster Energy* at [128], interpreting *Staywell* at [43]). ***The market reality is that consumers view beverages, and the establishments selling such beverages as closely related... Therefore...they are similar.***

[Emphasis in italics and in bold mine]

I agree.²⁶

Likelihood of Confusion

27 The relevant principles for assessing likelihood of confusion have been expounded by the Court of Appeal in ***Staywell***:

- (i) In opposition proceedings, the inquiry must take into account the full range of the competing monopoly rights that are already enjoyed on the one hand, namely the *actual and notional fair uses* to which the incumbent proprietor has or might fairly put his registered trade mark, and compare this against the *full range of such rights* sought by the applicant *by reference to any actual use by the applicant (assuming there has been prior use) as well as notional fair uses*

²⁶ For clarity, having regard to the ***notional*** specification of the goods for which the ***Registered Mark*** is registered for, it is not necessary to venture into the details as to whether the beverages are intended for immediate consumption or not.

to which the applicant may put his mark should registration be granted (*Staywell* at [60]).

- (ii) Once similarity between the competing marks and goods or services has been established, the *impact* of these similarities on the relevant consumers' ability to understand where those goods and services originate from falls to be considered. The only relevant confusion is that which results from the similarity between marks and goods or services. However, the plain words of section 8(2) do *not* have the effect of making a finding of confusion automatic upon the establishment of similarity of marks and goods or services (*Staywell* at [64]).
- (iii) On the effect of the foregoing (i.e. similarity of marks and goods or services) on the relevant segment of the public – *extraneous* factors may be considered to the extent that they inform the court as to how the *similarity of marks and goods* will likely *affect* the consumer's perception as to the source of the goods (*Staywell* at [83]).
- (iv) The following represents a non-exhaustive list of factors which are regarded as admissible in the confusion inquiry (*Staywell* at [96]):
 - (a) Factors relating to the impact of *marks-similarity* on consumer perception:
 - (1) the *degree of similarity* of the marks themselves;
 - (2) the *reputation* of the marks (a strong reputation does *not* necessarily equate to a higher likelihood of confusion, and could in fact have the contrary effect);
 - (3) the *impression* given by the marks; and
 - (4) the *possibility of imperfect recollection* of the marks.
 - (b) Factors relating to the impact of *goods-similarity* on consumer perception (factors concerning the very nature of the goods without implicating any steps that are taken by the trader to differentiate the goods).
 - (1) The *normal way in, or the circumstances under, which consumers would purchase goods of that type*;
 - (2) Whether the products are *expensive or inexpensive items*;
 - (3) Whether they would tend to *command a greater or lesser degree of fastidiousness and attention* on the part of prospective purchasers; and
 - (4) The *likely characteristics of the relevant consumers* and whether the relevant consumers would or would not tend to apply care or have *specialist knowledge* in making the purchase.

[Emphasis in italics mine]

Factors relating to the impact of marks-similarity

28 I have concluded above that the **Registered Mark** is **overall identical or at least very similar** to the **Applicant's Earlier Mark**. This points strongly towards a likelihood of confusion on the part of consumers.

Factors relating to the impact of goods-similarity

29 The **Applicant** argued that “the nature of the goods that are offered by both parties are such that the goods tend to command minimal degree of fastidiousness and attention on the part of the prospective purchasers”:²⁷

- (i) the beverages offered by both parties are inexpensive products. Specifically, both parties' beverages are similarly priced around four (4) to six (6) dollars.
- (ii) the normal circumstances in which consumers would purchase beverages make it even more unlikely that they would be fastidious. Most of the parties' outlets are located in shopping malls. Prospective purchasers are thus likely to be shoppers seeking to quench their thirst, or diners looking for beverages to go along with their food. In these circumstances, the inexpensive beverages are usually purchased without significant attention.
- (iii) beverages are fast moving consumer goods that consumers purchase frequently. They are sold in routine transactions which do not command much deliberation on the part of the consumers.

30 To be clear, the product **and services** at issue in this case are tea-related beverages and cafés. Having regard to the whole spectrum of tea and tea-based beverages and cafés, I am of the view that:

- (i) As a type of product and service, they respectively span a whole range of prices. In any event, the price of the product / service is only **one** of the many factors accounting for the level of attention displayed by would be consumers.²⁸
- (ii) The normal circumstances in which consumers would purchase beverages also extend across a very broad range and spans from a standard “ice-lemon tea” served in a “standard” café to an artisan tea served in an artisan café.
 - (a) In such circumstances, while it could be that a prospective purchaser is “seeking to quench [his/her] thirst” in the initial instance, it is unlikely to be so in the latter scenario.

²⁷ At [51] – [54] AWS.

²⁸ See *The Polo/Lauren Company, L.P. v United States Polo Association* [2015] SGIPOS 10 at [109].

- (b) In fact, nowadays, it is not at all uncommon for consumers to intentionally patronise specific artisan cafés simply to experience particular artisan tea-based beverages.
- (c) While the would be consumer would clearly not be fastidious in the first scenario, that cannot be further from the truth in the second scenario.
- (iii) Similarly, while the beverages and cafés would be considered to be “fast moving consumer goods /services” in the former case, that can hardly be so in the latter instance.

31 Having regard to all of the above, in relation to *factors relating to the impact of goods-similarity*, I am of the view that:

- (i) there is a likelihood of confusion for the tea-based beverages and cafés at the lower end of the spectrum due to lack of attention likely to be exhibited by the potential consumer.
- (ii) on the other hand, while there would be a greater degree of care expended at the higher end of the spectrum, there would still be a likelihood of confusion due to the ***near identity / high similarity*** of the marks and the close relationship / similarity between the goods and services.

32 It is opportune here to address the evidence tendered by the ***Applicant*** in an attempt to show that there is actual confusion. Unfortunately, most of the evidence, in particular the Mothership article entitled *HeeTea in S'pore is not HeyTea from China, but they look super similar*²⁹ cannot be taken into account as it is dated ***after the Relevant Date***.³⁰ In any event, it is clear that the lack of evidence of actual confusion is ***not*** fatal.

33 Having regard to the usual factors relating to the impact of marks-similarity and goods-similarity, I am of the view that there is a ***likelihood of confusion***.

Conclusion on Section 23 read with 8(2)(b)

34 The ground of invalidation under Section 23 read with 8(2)(b) therefore ***succeeds***.

Decision on Section 23 read with 7(6)³¹

35 The legal test for determining the presence of bad faith is not in dispute and is encapsulated in *Valentino Globe BV v Pacific Rim Industries Inc* [2010] 2 SLR 1203 (“***Valentino***”). The key principles were helpfully summarised by the Principal Assistant

²⁹ Exhibit Q of the ***Applicant's SD*** at pages 379 – 385.

³⁰ The web address of the article suggests that the article was published in 2018 - ***mothership.sg/2018/01/heetea-heytea-bubble-tea/*** (see page 379 of the ***Applicant's SD***).

³¹ No cross-examination was requested for this action.

Registrar (“PAR”) in *Christie Manson & Woods Limited v Chritrs Auction Pte. Limited* [2016] SGIPOS 1 (“**Christie Manson**”) at [166]:

[166(a)] “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].

[166(b)] The test for determining bad faith is the combined test of bad faith which contains both a subjective element (*viz*, what the particular applicant knows) and an objective element (*viz*, what ordinary persons adopting proper standards would think). Thus, “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].

[166(c)] Once a *prima facie* case of bad faith is made out by the [applicants], the burden of disproving any element of bad faith on the part of the [proprietor] would arise: **Valentino** at [36].

[166(d)] An allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence, which will rarely be possible by a process of inference: **Valentino** at [30]...[However] this is not an absolute prohibition...in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 at [115]...the High Court pointed out that a finding of bad faith is largely, if not invariably, based on ***circumstantial evidence***.

[166(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].

[Emphasis in bold and in italics mine]

36 In addition, *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 provided at [100] and [115]:

[100] Bad faith is to be determined ***as at the date of application*** and matters which occurred ***after*** the date of application which may assist in determining the applicant’s state of mind as at the date of application ***can be taken into consideration***...

[115] ...despite the broad nature of the notion of bad faith, one must show ***some sort of nexus*** between the parties in dispute. Otherwise, the notion of bad faith would have to be decided in vacuum...In other words, while the finding of bad faith is largely, if not invariably, based on ***circumstantial evidence***, the party alleging bad faith needs to show some link between the parties, perhaps by way of a ***pre-existing relationship*** or some acts of association with the proprietor or some ***nexus*** between the two competing marks.

[Emphasis in bold and in italics mine]

37 The ***Applicant*** argued that bad faith has been made out on the basis of three reasons:

- (i) Identity / similarity of marks / signs
- (ii) Pre-emptive registration of the ***Registered Mark*** with a view to take advantage of the ***Applicant's*** goodwill and reputation and disrupt the ***Applicant's*** business in Singapore
- (iii) “Deceptive” responses / misleading associations

38 I will deal with each in turn. Crucially, while some of the evidence referred to below are dated after the ***Relevant Date***, they can still be taken into account as they shed light as to the mindset of the ***Registered Proprietor*** as at the ***Relevant Date*** (above).

Identity / Similarity of signs

39 I have concluded in relation to the objection under section 8(2)(b) above that the marks are overall identical or at least highly similar:

<i>Applicant's Earlier Mark</i>	<i>Registered Mark</i>
HEYTEA	HEYTEA

40 The ***Applicant*** submitted:³²

As held in *Festina Lotus SA v Romanson Co Ltd* [2010] 4 SLR 552 (HC) (“***Festina***”) at [115], similarity (or identity) of marks is a relevant consideration:

“... despite the broad nature of the notion of bad faith, one must show some sort of nexus between the parties in dispute. Otherwise, the notion of bad faith would have to be decided in vacuum. **A clear-cut example of such a nexus would be an outright copying of the proprietor's mark such that the two competing marks are practically identical...**”

[Emphasis by the ***Applicant***]

41 While the ***Applicant*** did not address the issue of distinctiveness under the objection for section 8(2)(b), I am of the view that the ***Applicant's Earlier Mark*** can be said to be distinctive. To my mind, “[i]t is the juxtaposition of the words that engenders distinctiveness, in that when used together, the words do not convey a sensible meaning”.³³

³² At [104] ***AWS***.

³³ At [35] ***Hai Tong***.

42 In response, the **Registered Proprietor** explained:³⁴

[10] Armed with our newly acquired know-how, I searched online for suitable names. As we were planning to sell tea-based beverages, the names we shortlisted consisted of the word "TEA" as a suffix. One of the names was "HEYTEA", which we thought **conveyed a sense of friendliness. We also had other similar choices like "HITEA" and "HEETEA".**

...

[13] The staff member informed me that **some of our shortlisted names, such as "HITEA" was not available for registration in Class 30.** However, as "HEYTEA" was available, we went ahead with the application...

[Emphasis in italics in and bold mine]

43 In my opinion, there are many ways of conveying "a sense of friendliness", even with "TEA" as a suffix in relation to tea related beverages other than HEYTEA. Even in relation to the **Registered Proprietor's** three options above, the **Registered Proprietor** did not explain why "HEYTEA" was chosen over "HEETEA" (which was obviously available as well since the **Registered Proprietor** proceeded to register it later).³⁵ Last but certainly not least, the **near identity** of the font of the **Registered Mark** when compared to the **Applicant's Earlier Mark** was curious to say the least.

44 In addition, the **Registered Proprietor's** get up also has an uncanny resemblance to the **Applicant's Copyright Work**:

Applicant's Copyright Work ^{36 37}	Registered Proprietor's Get Up ³⁸
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³⁴ At [10] and [13] the **Registered Proprietor's SD**.

³⁵ At [14] the **Registered Proprietor's SD**.

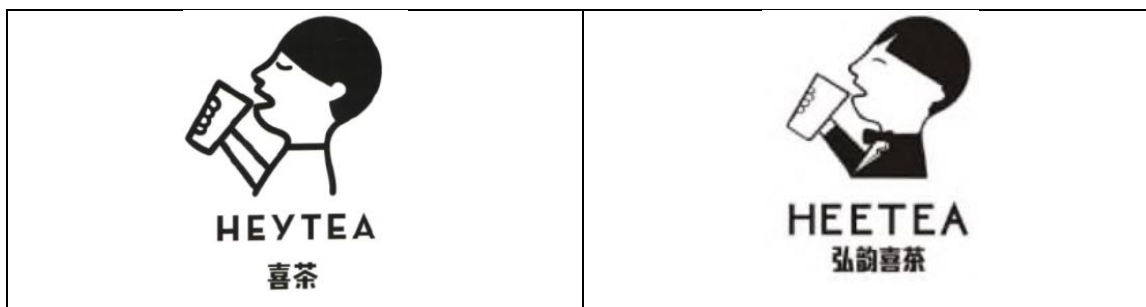
³⁶ Exhibit D of the **Applicant's SD** at pages 143 – 149.

³⁷ The **Applicant** also submitted at [106] **AWS** that it was already the proprietor of the following marks:

Trade Mark No.	Mark	Class	Filing Date
40201606522Y		43	14/04/2016
40201616961W		30	12/10/2016

See also [32] of the **Applicant's SD** for the complete list.

³⁸ They are at (i) Exhibit Q of the **Applicant's SD** (pages 378-385 (dated 2018)); (ii) Exhibit S of the **Applicant's SD** at pages 412 (dated 5 October 2017), 413 (dated 5 October 2017) and 415 (dated 7 February 2018).



45 For clarity, while the evidence pertaining to the **Registered Proprietor's** get up are dated after the **Relevant Date**, as alluded to above, “matters which occurred *after* the date of application which may assist in determining the [**Registered Proprietor's**] state of mind as at the [**Relevant Date**] can be taken into consideration”.³⁹

46 I agree with the **Applicant**⁴⁰ that the **Registered Proprietor's** defence, that it is “*not inconceivable for [a beverage business] to feature a person drinking*”⁴¹ does **not** assist having regard to the **striking** similarities in:

- (i) the image of the drinking boy (for example, the direction the boy is facing; the shape of the head, nose, and mouth; the angle of the head tilt; the way the boy holds the cup in the right hand with four fingers visible);
- (ii) the incorporation of the **Applicant's** “喜茶” mark; and
- (iii) the positioning of the image and the English and Chinese text.

47 In short, the **Registered Proprietor's** attempt to explain away similarities in the two instances above is flimsy to say the least.

Pre-emptive registration of the Registered Mark

48 The **Applicant** argued that “the [**Registered Proprietor**] pre-emptively applied to register [the **Registered Mark**]...to disrupt the **Applicant's** business in Singapore”.⁴² In this regard, the **Registered Proprietor** applied to register the **Registered Mark** “just three months after the **Applicant** applied for the [**Applicant's Earlier Mark**]...on 23 January 2017” (emphasis by the **Applicant**).⁴³

49 The **Applicant** submitted that the “timing of the **Registered Proprietor's** application is indicative of the **Registered Proprietor's** opportunistic behaviour to hijack the [**Applicant's Earlier Mark**]”.⁴⁴ The **Applicant** highlighted⁴⁵ that one example of

³⁹ See above.

⁴⁰ At [107] AWS.

⁴¹ At [24] of the **Registered Proprietor's SD**.

⁴² At [109] AWS.

⁴³ At [109] AWS.

⁴⁴ At [109] AWS.

⁴⁵ At [110] AWS.

“*hijacking a mark*”⁴⁶ is where “[t]he proprietor has no *bona fide* intention to use the trade mark at all, but wishes to prevent a competitor from using...a similar, mark”.

50 In this regard, there is **no** evidence at all as to the use of the **Registered Mark** by the **Registered Proprietor**. There is only evidence in relation to the **Registered Proprietor** using “HEETEA” (below).

51 Further, the **Applicant** submitted that the **Registered Proprietor’s** explanation for its **subsequent** use (and registration) of the mark “HEETEA” in **November 2017**, that a decision was made at a director’s meeting to the effect that “the business should be operated under the name and style of “HEETEA” as it sounded better”⁴⁷ is **inconsistent** with the evidence.⁴⁸ Specifically “[w]hen the [**Registered Proprietor**] opened their business in Singapore sometime in or about **October 2017**, it **already** used its “HEETEA” mark” (emphasis in bold and italics mine).^{49 50}

52 In addition, it is curious that the order of the application for trade marks by the **Registered Proprietor**⁵¹ is **inconsistent** with the order of the incorporation of the companies. The **Registered Proprietor** incorporated Heetea Pte Ltd. on **3 May 2017 first**,⁵² and **subsequently** incorporated the entity Heytea Pte. Ltd. on **29 May 2017**.⁵³

53 For ease of reference, the **Applicant** helpfully provided a timeline of the events:⁵⁴

S/N	Date	Event
1	23 January 2017	Applicant applied to register the Applicant’s Earlier Mark  in Class 43:
2	3 May 2017	Heetea Pte. Ltd was incorporated.
3	12 May 2017	Registered Proprietor applied to register [the Registered Mark] in Class 30: 
4	29 May 2017	Heytea Pte. Ltd was incorporated.
5	5 October 2017	Registered Proprietor posted on Facebook a picture of its shopfront already fitted with “HEETEA” decorations and branding.

⁴⁶ As set out in *Weir Warman Ltd v Research & Development Pty Ltd* [2007] 2 SLR(R) 1073 (HC) at [42].

⁴⁷ At [14] **Registered Proprietor’s SD**.

⁴⁸ At [111] **AWS**.

⁴⁹ At [112] **AWS**.

⁵⁰ They are at the following pages of the **Applicant’s SD** (i) 412 (dated 5 Oct 2017); (ii) 413 (dated 5 Oct 2017) and (iii) 415 (dated 7 February 2018).

⁵¹ See Exhibit 3 of the **Registered Proprietor’s SD** at pages 28 (pertaining to the **Registered Mark**) and page 35 (pertaining to HEETEA).

⁵² Exhibit 1 of the **Registered Proprietor’s SD** at page 12.

⁵³ Exhibit 4 of the **Registered Proprietor’s SD** at page 39.

⁵⁴ At [115] **AWS**.

S/N	Date	Event
6	November 2017	Decision was allegedly made at a directors' meeting to use "HEETEA" (and subsequently register) ⁵⁵ instead of "HEYTEA".

54 In this regard, the **Registered Proprietor's** explanation that HeyTea Pte Ltd handles the operations of the business while the **Registered Proprietor** merely holds the trade marks does not assist.⁵⁶ Rather, as the **Applicant** submitted, there is a likelihood that this was so as "to mislead...its suppliers...of its origins".⁵⁷

55 I agree with the **Applicant** that the events as chronologically charted in the table above suggest strongly that the **Registered Proprietor** had registered the **Registered Mark** in bad faith, to simply hold the **Applicant** ransom or disrupt the **Applicant's** business.⁵⁸

"Deceptive" response / misleading association

56 The **Applicant** also pointed out that "the [**Registered Proprietor**] had...subsequently used the [**Registered Mark**] to deceive consumers regarding its business origins, thereby taking advantage of the **Applicant's** goodwill and creating confusion among consumers".⁵⁹ In this regard, when the **Registered Proprietor** was questioned by the public whether it was copying the **Applicant**, it merely stated that "HeyTea and HeeTea are **both our registered TM** [sic] in Singapore" (emphasis in bold and italics mine).^{60 61}

57 In addition, as submitted by the **Applicant**,⁶² it is curious why the **Registered Proprietor** informed the public that it was "*first created at a local alley way in Guangzhou in 2012*"⁶³ even though the **Registered Proprietor** was only incorporated in 2017.⁶⁴ In this regard, the **Applicant's** origin is as described as follows on the **Applicant's** website "*[i]n 2012...we opened a small tea shop on a lane called Jiangbianli in Jiangmen City of Guangdong Province*".⁶⁵ The uncanny resemblance in the references:

- (i) "local alley way" versus "lane";
- (ii) "Guangzhou" versus "Guangdong";⁶⁶

⁵⁵ See [15] of the **Applicant's SD** and Exhibit 3 at page 35.

⁵⁶ At [14] **Registered Proprietor's SD**.

⁵⁷ At [114] **AWS**.

⁵⁸ At [110] **AWS**.

⁵⁹ At [116] **AWS**.

⁶⁰ Exhibit Q of the **Applicant's SD** at page 388.

⁶¹ The post appears to be dated 2 April 2019. Again, while the evidence is dated after the **Relevant Date**, it sheds light as to the mindset of the **Registered Proprietor** as at the **Relevant Date**.

⁶² At [118] **AWS**.

⁶³ Exhibit T of the **Applicant's SD** at pages 423 (although the webpage is undated, [6] of **Registered Proprietor's SD** suggests that it occurred *after* the **Relevant Date**). As alluded to above, it can still be taken into consideration as it sheds light as to **Registered Proprietor's** frame of mind as at the **Relevant Date**.

⁶⁴ Exhibit 1 of the **Registered Proprietor's SD** at page 12.

⁶⁵ Exhibit B of the **Applicant's SD** at page 127; while the except of the page appears to be undated, it is consistent with [3] of the **Applicant's SD**.

⁶⁶ Guangzhou is the capital of the province of Guangdong in China.

(iii) “2012” in both instances,

is simply incredible.

58 In its defence, the **Registered Proprietor** simply disclaimed responsibility by saying that “*this was done by our advertising agency*”.⁶⁷ This is not acceptable. It is business prudence to check what an agent has included on one’s website. It beggars belief that the **Registered Proprietor** would entrust such an important task to its advertising agency and not bother to ensure the accuracy of the same.

59 Last but certainly not least, I also note that the **Registered Proprietor** had not seen it fit to defend itself in this action. As alluded to above, the **Registered Proprietor** had tried to explain that “being a small family-run business” it has “decided to deploy [its] resources into business operations”⁶⁸ and thus requested that hearing proceed not only without its attendance⁶⁹ but also **without** any written submissions or bundle of authorities.⁷⁰ While I accept that being a small outfit the **Registered Proprietor** is trying to save costs, it is difficult to understand why the **Registered Proprietor** does not see it fit to relay its side of the story, especially when there is a serious, lengthy and detailed allegation of bad faith.

Conclusion on section 7(6)

60 I am mindful that “[a]n allegation of bad faith is a serious claim to make and it must be sufficiently supported by the evidence, which will rarely be possible by a process of inference”.⁷¹ However, having regard to **all** of the factors listed above, I am of the view that the ground of invalidation under section 23 read with 7(6) has been **made out**.

Other Grounds of Invalidation relied upon by the Applicant

61 I have some reservations as to whether the **Applicant** has established the other grounds of invalidation which it relies on. However, since it has succeeded on the basis of its two strongest grounds viz section 23 read section 8(2)(b) and section 7(6) respectively, the outcome of the other grounds of invalidation is not material. Further, there are no submissions made by the **Registered Proprietor** challenging the **Applicant’s** assertions. In these circumstances, I will not make any findings on the remaining grounds of invalidation, but will only make brief observations on the same.

⁶⁷ At [26] of the **Registered Proprietor’s SD**.

⁶⁸ **Registered Proprietor’s** letter of 5 July 2021.

⁶⁹ **Registered Proprietor’s** letter of 5 July 2021.

⁷⁰ **Registered Proprietor’s** letter of 21 July 2021.

⁷¹ At [166] **Christie Manson**, above.

Ground of Invalidation under Section 23 read with 8(4)(b)(i)

62 The relevant provisions in the Act are:

23(3) The registration of a trade mark may be declared invalid on the ground —

(a) that there is an earlier trade mark in relation to which —

(iii) where the trade mark has been registered pursuant to an application for registration of the trade mark made on or after 1st July 2004, the conditions set out in section 8(4) apply...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

Section 8(4) of the Act reads:

8(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...

[Emphasis in bold and italics mine]

63 The critical question is whether the *Applicant's Earlier Mark*:

HEYTEA

is well-known in Singapore as at the ***Relevant Date***.

64 The *Applicant's* sales and promotional expenditure in Singapore ***cannot*** be taken into account as they are all dated ***after*** the ***Relevant Date***.⁷²

⁷² The *Applicant's* evidence of sales in Singapore were in relation to the year 2018 (at [21] of the *Applicant's SD*) and thus cannot be taken into account (since this is after the ***Relevant Date***). The same can be said for the evidence in relation to the *Applicant's* promotional expenditure; they relate to the years 2018 and 2019 (at [23] of the *Applicant's SD*).

65 In addition, it is unclear how the *Applicant's* activities / events in China / globally **impact** the Singapore market. In particular, I am of the view that the evidence of the number of visitors (from Singapore) to China does **not** necessarily translate into exposure by the relevant public⁷³ “to the *Applicant's* brand and stores in China...where long queues for the *Applicant's* [p]roducts have been widely reported”.⁷⁴ This is simply a bare assertion which is not substantiated. Similarly, “ready access to the Internet”⁷⁵ does **not** necessarily translate into exposure by the relevant public of the *Applicant's* overseas marketing and promotional activities.

Ground of Invalidation under Section 23 read with Section 8(7)(a)

66 The relevant provisions in the Act are:

23(3) The registration of a trade mark may be declared invalid on the ground —

(b) that there is an earlier right in relation to which the condition set out in section 8(7) is satisfied...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

Section 8(7)(a) of the Act reads:

8(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.

[Emphasis in bold and italics mine]

67 In relation to this ground, it is trite that the three elements to be established are (i) goodwill; (ii) misrepresentation; and (iii) damage. However, the High Court has also clarified that what is required is a *prima facie* case on goodwill, misrepresentation and damage or a **notional** passing off action.⁷⁶

68 Thus, it does not matter here that there is no sales / promotional figures on or before the **Relevant Date**.⁷⁷ However, it is unclear if the element of misrepresentation would be

⁷³This is defined in section 2(9) of the *Act*.

⁷⁴ At [26] of the *Applicant's SD*.

⁷⁵ At [68] *AWS*.

⁷⁶ *Rovio Entertainment Ltd v Kimanis Food Industries Sdn Bhd* [2015] SGHC 216 at [164].

⁷⁷ On the other hand, the *Applicant* argued that I should adopt the soft line approach (see [81] – [89] *AWS*).

made out.⁷⁸ In any event, this was not fully dealt with by the *Applicant*⁷⁹ and I will say no more about this.

Ground of Invalidation under Section 23 read with Section 8(7)(b)

69 The relevant provisions in the Act are:

23(3) The registration of a trade mark may be declared invalid on the ground —

(b) that there is an earlier right in relation to which the condition set out in section 8(7) is satisfied...

unless the proprietor of that earlier trade mark or other earlier right has consented to the registration.

Section 8(7)(b) of the Act reads:

8(7) A trade mark shall not be registered if, or to the extent that, its use in Singapore is liable to be prevented —

(b) *by virtue of an earlier right* other than those referred to in subsections (1), (2) and (3) or paragraph (a), *in particular by virtue of the law of copyright* or any law with regard to the protection of designs.

[Emphasis in bold and italics mine]

70 In relation to this ground, the main issue is the *subsistence of copyright*, in particular, in relation to the *HEYTEA Typeface*.

71 For ease of reference, the *Applicant's Earlier Mark* is as follows:

S/N	<i>Applicant's Earlier Mark</i>
1	HEYTEA

In that regard, the *HEYTEA Typeface* simply refers to the *font* of the words “HEYTEA” which constitute the *Applicant's Earlier Mark*. The *Applicant's* purported evidence of the same is the certificate of copyright registration pertaining to the following:⁸⁰

⁷⁸ This would entail a comparison between the *Registered Mark* and the *Applicant's* get up.

⁷⁹ For this issue, the *Applicant* simply submitted that misrepresentation would be made out on the basis that there is a likelihood of confusion under section 23 read with section 8(2)(b) (see [91] *AWS*). While this may be so in some cases, it may not be so here.

⁸⁰ At [9] and [10] of the *Applicant's SD* as well as at Exhibit D of the same (at pages 143-149).



The above was registered on 5 September 2018 and published on 23 February 2017.⁸¹

72 My main difficulty with the *Applicant's* submissions,⁸² is that while it is clear that the *Applicant* owns the copyright in the image above **as a whole**, it is unclear if it would **translate into** the *Applicant* owning the copyright in the **HEYTEA Typeface alone**.^{83 84} This issue would merit full arguments which is clearly not possible here given that the **Registered Proprietor** has not filed any written submissions.

Conclusion

73 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the invalidation succeeds on the basis of section 23 read with section 8(2) and also section 7(6). Accordingly, the **Registered Mark** is **invalidated** such that the registration shall be deemed never to have been made, although this shall not affect transactions past and closed. The *Applicant* is also entitled to costs to be taxed, if not agreed.

Date of Issue: 1 November 2021

⁸¹ At Exhibit D of the *Applicant's SD* at page 148.

⁸² In relation to **either** of the two approaches advanced by the *Applicant*, namely via (i) section 130 (at [132] – [138] AWS); or (ii) section 27 (at [139] – [145] AWS) of the *Copyright Act* respectively.

⁸³ In this regard, the *Applicant's* reliance on the UK case of *Shenzhen Meixixi Catering Management Co., Ltd v Xiaolong Chen* – BL O/572/19, involving the same copyright works as “the relevant evidence” does **not** assist (at [136] and [137(iii)] AWS). To begin with, the marks which were the subject of the invalidation proceedings in the UK are different.

⁸⁴ The *Applicant* also sought to argue that in any event, it is **not** a requirement to register any copyright matter in China, even though there is a Copyright Registry. **Even if** this is the case, there is still a need to tender evidence to show the date of the creation of the **HEYTEA Typeface** itself.