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

[2024] SGIPOS 7

Trade Mark No. 40202130126X

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

TAPOUT PTE LTD

… *Applicant*

AND

AN OPPOSITION BY

CRAFT DRINKS PTE LTD

… *Opponent*

GROUNDS OF DECISION

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Craft Drinks Pte Ltd
v
Tapout Pte Ltd

[2024] SGIPOS 7

Trade Mark No. 40202130126X
Principal Assistant Registrar Tan Mei Lin
28 May 2024

23 August 2024

Principal Assistant Registrar Tan Mei Lin:

Introduction

1 This is a dispute involving two local businesses operating beer bars in Singapore using the word "Tap" as their trade mark. However, how distinctive is this word as a trade mark and should any restaurant/bar serving beers on tap be allowed to monopolise the word "Tap"?

2 Tapout Pte Ltd (the "Applicant") applied to register the following trade mark (the "Subject Mark") in Singapore.

Trade Mark	
TM No.	40202130126X

Filing Date:	10 December 2021
Services	Class 43: Restaurant services

3 The Subject Mark was opposed by Craft Drinks Pte Ltd (the "Opponent"). The Opponent is the proprietor of the registered trade marks (collectively referred to as the "TAP Marks") set out below.

Reference	**TAP Mark 1**	**TAP Mark 2**
Trade Mark	TAP	TAP CRAFT BEER BAR
TM No.	40201917175V	40202131592P
Filing Date:	8 August 2019	29 December 2021
Services	**Class 43:** Bar services; restaurant services; providing food and drink in restaurants and bars; snack-bar services;	**Class 43:** Bar services; restaurant services; providing food and drink in restaurants and bars; snack-bar services; wine

	wine bar services; wine bars.	bar services; wine bars.

Background of parties

4 The Opponent has been operating in Singapore under the TAP Marks since May 2015. It currently has two beer bars – one located at the heart of Singapore's Central Business District at 63 Chulia Street #01-01, Singapore 049514; and another near Orchard Road, at 9 Penang Road #01-08/09, Singapore 238459.

5 Previously, the Opponent also operated at various locations such as Millenia Walk, Raffles City Shopping Centre, One Raffles Link, and Robertson Quay. This is an image of one of the Opponent's beer bars[1].

6 The Applicant commenced business in December 2021 and operates a

[1] OSD1 at p 103.

competing beer bar at 103 East Coast Road, Singapore 428797. This is an image of the Applicant's beer bar[2].

Procedural history

7 The Applicant applied to register the Subject Mark on 10 December 2021. For the purposes of this opposition, 10 December 2021 is the relevant date (the "Relevant Date") for determining whether the registrability criteria is met.

8 The Opponent opposed the registration of the Subject Mark on 17 May 2022. The Applicant filed its counter-statement on 16 September 2022.

Opponent's evidence

9 The Opponent's evidence comprises the following:

[2] OSD1 at p 105.

(a) a statutory declaration made by Daniel Yong Tze Kiat, Chief Executive Officer of the Opponent, dated 23 March 2023 ("OSD1"); and

(b) a statutory declaration in reply made by the same Daniel Yong Tze Kiat dated 24 January 2024 ("OSD2").

Applicant's evidence

10 The Applicant's evidence comprises a statutory declaration made by Kevin Lee Jia Jing, Director of the Applicant, dated 1 December 2023 ("ASD").

Grounds of opposition

11 The Opponent relies on the following grounds of opposition in these proceedings:

(a) Section 8(4)(a) of the Trade Marks Act 1998 ("the Act") read with s 8(4)(b)(i) of the Act;

(b) Section 8(4)(a) of the Act read with s 8(4)(b)(ii) of the Act;

(c) Section 8(2)(b) of the Act; and

(d) Section 8(7)(a) of the Act.

Applicable law and burden of proof

12 The applicable law is the Act. 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.

Grounds of opposition under s 8(4)(a) read with s 8(4)(b)(i) and under s 8(4)(a) read with s 8(4)(b)(ii)

13 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.

Section 2(1) of the Act, in relation to "well known trade mark", reads:

> "well known trade mark" means —
>
> > (a) any registered trade mark that is well known in Singapore; or
> >
> > (b) any unregistered trade mark that is well known in Singapore and that belongs to a person who —
> >
> > > (i) is a national of a Convention country; or

> > > (ii) is domiciled in, or has a real and effective industrial or commercial establishment in, a Convention country,
>
> whether or not that person carries on business, or has any goodwill, in Singapore;

Section 2(7) to (9) of the Act reads:

> (7) Subject to subsection (8), in deciding, for the purposes of this Act, whether a trade mark is well known in Singapore, it is relevant to take into account any matter from which it may be inferred that the trade mark is well known, including such of the following matters as may be relevant:
>
> > (a) the degree to which the trade mark is known to or recognised by any relevant sector of the public in Singapore;
> >
> > (b) the duration, extent and geographical area of —
> >
> > > (i) any use of the trade mark; or
> > >
> > > (ii) any promotion of the trade mark, including any advertising of, any publicity given to, or any presentation at any fair or exhibition of, the goods or services to which the trade mark is applied;
> >
> > (c) any registration or application for the registration of the trade mark in any country or territory in which the trade mark is used or recognised, and the duration of such registration or application;
> >
> > (d) any successful enforcement of any right in the trade mark in any country or territory, and the extent to which the trade mark was recognised as well known by the competent authorities of that country or territory;
> >
> > (e) any value associated with the trade mark.
>
> (8) Where it is determined that a trade mark is well known to any relevant sector of the public in Singapore, the trade mark is deemed to be well known in Singapore.
>
> (9) In subsections (7) and (8), "relevant sector of the public in Singapore" includes any of the following:

> (a) all actual consumers and potential consumers in Singapore of the goods or services to which the trade mark is applied;
>
> (b) all persons in Singapore involved in the distribution of the goods or services to which the trade mark is applied;
>
> (c) all businesses and companies in Singapore dealing in the goods or services to which the trade mark is applied.

14 The provisions above have been further expounded by the courts as follows:

(a) Section 2(7)(a) is arguably the most crucial factor when determining whether a trade mark is well known in Singapore. This is because s 2(8) *deems* a trade mark to be well known in Singapore where it is determined to be well known to *any* relevant sector of the public in Singapore (*Novelty Pte Ltd v Amanresorts Ltd and another* [2009] 3 SLR (R) 216 ("*Amanresorts*") at [139]).

(b) Aside from s 2(7)(a), the court is ordinarily free to disregard any or all of the factors listed in s 2(7) as the case requires and to take additional factors into consideration (*Amanresorts* at [137]).

(c) In relation to s 2(8), the Court of Appeal in *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Ltd* [2017] 2 SLR 308 clarified that:

> [101] …we said in Amanresorts that it is "not too difficult" for a trade mark to be regarded as well known in Singapore …
>
> [102] We do not think that this comment in Amanresorts was made to lay down a general principle…the context of this comment was the desire to clarify that, in order for a mark to be well known in Singapore, the relevant sector to which a mark must be shown to be well known can be any relevant sector of the Singaporean public, and this sector need not be large in size. Beyond this, it should not be read as suggesting (more generally) that

> the threshold for a trade mark to be regarded as well known in Singapore is a low one.

(d) Last but not least, with regard to the ambit of s 2(9)(a), the inquiry is into the specific goods or services to which the Applicant's trade mark has been applied on the Applicant's goods or services (*Amanresorts* at [152]).

15 Section 8(4)(b)(i) relates to marks that are well known in Singapore, whereas s 8(4)(b)(ii) relates to marks that are well known to the public at large in Singapore. However, since a mark that is not well known in Singapore cannot be well known to the public at large in Singapore, if the Opponent cannot establish that its mark is well known in Singapore, the opposition on both these grounds will fail. I will therefore deal with the issue of whether the TAP Marks are well known in Singapore first.

Whether the TAP Marks are well known in Singapore

16 It is the Opponent's case that the TAP Marks are well known to the actual and potential consumers of beer beverages[3]. While it does not appear to me that consumers of restaurant and bar services necessarily need to be beer drinkers, the Opponent's case is framed in this manner, and I will examine the Opponent's evidence to see whether the claim is made out.

Outlets under the TAP Marks

17 The Opponent has been operating under the TAP Marks for a period of about six years before the Relevant Date. Although the Opponent has two outlets currently, sometime in 2021, it had about four outlets, all located in the central district of Singapore. The Opponent submits that due to the strategic

[3] Opponent's written submissions at [99].

locations of its various outlets, its bars are frequented by a large number of customers daily and have come to be considered well known in Singapore[4].

18 The Opponent's annual sales figures in Singapore from 2017 to 2021 are:

Year	Annual Revenue (in SGD)
2017	966,565
2018	2,001,598
2019	2,606,483
2020	3,260,004
2021	3,716,306

19 Based on an average expenditure of $100 per customer (which the Opponent's counsel used at the oral hearing), the Opponent would have served about 37,163 customers in 2021 or about 100 customers each day in 2021.

Advertising, marketing and promotion

20 The Opponent's annual expenditure on advertising, marketing and promotion is as follows:

Year	Expenditure (in SGD)
2017	37,366
2018	96,442
2019	70,303
2020	54,270
2021	50,915

21 It also has a presence on social media platforms such as Facebook (which has 7,545 likes, 7,811 followers[5], and attracted 337,797 visitors from

[4] Opponent's written submissions at [100v.].

[5] As at 30 January 2023.

2020 to 2021) and Instagram (which has 3,439 followers[6] and attracted 109,184 visitors from 2020 to 2021).

22 The Opponent has also organised various promotional campaigns. In 2018, to commemorate the closing of its outlet at Capitol Piazza and celebrate the anticipated opening of its outlet at Raffles City, the Opponent organised a closing down event which attracted a crowd of more than 500 customers. In 2020, the Opponent invested in a paid promotional campaign with 91.3FM to promote the opening of its outlet at 9 Penang Road. The Opponent invited prominent radio personalities, Glenn Ong and The Flying Dutchman, to broadcast live on Facebook from the outlet at 9 Penang Road. This was featured on both the Opponent's Facebook page, as well as the 91.3FM Facebook page.

23 I further note that the Opponent has been featured in various online sites[7] such as:

(a) SBO (Singapore Business Owners)[8];

(b) The Ordinary Patrons, dated 21 January 2021[9];

(c) Honeycombers, dated 28 April 2015[10];

(d) Tripadvisor[11];

[6] As at 30 January 2023.

[7] I can only consider those which were dated on or before the Relevant Date.

[8] OSD1 at p 69.

[9] OSD1 at p 84.

[10] OSD1 at p 93.

[11] OSD1 at p 94.

(e) The New Paper, dated 5 March 2020[12];

(f) Miss Tam Chiak, dated 23 September 2018[13].

24 In 2021, the Opponent won the "People's Choice Award" and the "Best Western (Chain) Restaurant" award at the Epicurean Star Awards 2021. In the same year, the Opponent also won the "Singapore River Diners Choice Award" for Robertson Quay.

The TAP Marks are not well known

25 Having considered all of the Opponent's evidence carefully, I am not persuaded that the Opponent has discharged its burden of proving that the TAP Marks are well known in Singapore to consumers of beer beverages.

26 In *Amanresorts*, the Court of Appeal said at [149]:

> … there are different degrees of public knowledge of a trade mark, and the requisite level of knowledge required under Singapore's legislation tends towards the higher end of the scale...the trade mark concerned must be more than merely "known" to the relevant sector of the public in Singapore.

27 In the present case, I do not think the Opponent's evidence goes far enough to show that the TAP Marks are not just known but well known to consumers of beer beverages. While the Opponent's revenue figures are by no means insignificant, there is no evidence of the total market size and/or market

[12] OSD2 at p 75.

[13] OSD2 at p 81.

share held by the Opponent and it is just not possible for me to gauge where the TAP Marks stand.

28 The Court of Appeal found in *Amanresorts*, at [154]:

> … there has been a great deal of promotion of the "Aman" names targeted at [the actual and/or potential consumers of the claimant's goods and services], and that the "Aman" names enjoy an established reputation among this group.

29 On the other hand, the Opponent here has not demonstrated how the promotion of the TAP Marks has been targeted at consumers of beer beverages such that the TAP Marks enjoy an established reputation among them. I say this even though I have taken into account the awards and online coverage given to the Opponent. The awards conferred on the Opponent are for its food and do not mention its beer and although some online sites do mention the Opponent's beer, the reach and impact of these on the relevant consumers is uncertain.

Conclusion on opposition under s 8(4)(a) read with s 8(4)(b)(i) and under s 8(4)(a) read with s 8(4)(b)(ii)

30 The grounds of opposition under s 8(4)(a) read with s 8(4)(b)(i) and under s 8(4)(b)(a) read with s 8(4)(b)(ii) fail.

Ground of opposition under s 8(2)(b)

31 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.

32 To succeed in an opposition under this ground, the opponent must establish that:

(a) the competing marks are similar;

(b) the goods and services of the competing marks are identical or similar; and

(c) there exists a likelihood of confusion arising from the similarities in (a) and (b) above.

33 Each of these conditions must be established, and they are assessed "step-by-step." As stated by the Court of Appeal in the landmark decision of *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 ("*Staywell*") at [15]:

> 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 are assessed individually before the final element which is assessed in the round.

34 For this ground of opposition, the Opponent relies on TAP Mark 1 (filed on 8 August 2019) as well as TAP Mark 2 (filed on 29 December 2021). Although TAP Mark 2 does not have an earlier filing date than the Subject Mark, the Opponent's position is that it nonetheless qualifies as an "earlier trade mark" on the basis that it is a "well known trade mark" (see *Alphasonics (Ultrasonic Cleaning Systems) Ltd. v Alphasonics (Pte) Ltd* [2013] SGIPOS 6 at [15]-[16]); *Louis Dreyfus Commodities MEA Trading DMCC v Orco International (S) Pte Ltd* [2017] SGIPOS 8 at [32]-[33]).

35 However, my finding above that the TAP Marks are not well known marks in Singapore means that TAP Mark 2 would accordingly not constitute an "earlier trade mark" within the meaning of s 2(1) of the Act and not be entitled to protection under s 8(2)(b) of the Act.

36 The rest of this decision on the ground of opposition under s 8(2)(b) will, therefore, focus on TAP Mark 1.

Similarity of marks

37 The key principles relating to the evaluation for marks-similarity have been set out in a number of decisions of the Court of Appeal and the High Court, including *Staywell, Hai Tong Co (Pte) Ltd v Ventree Singapore Pte Ltd* [2013] 2 SLR 941 ("*Hai Tong*") and *V V Technology Pte Ltd v Twitter, Inc* [2023] 5 SLR 513 ("*Twitter*"). These can be summarised as follows:

(a) The assessment of marks-similarity is "mark-for-mark without consideration of any external matter" (*Staywell* at [20]).

(b) The relevant marks must be viewed and compared as a whole, and not dissected into their individual elements.

(c) There are three aspects of similarity to be considered, namely, visual, aural and conceptual similarities. There is no requirement that all three aspects need to be made out before the marks or signs being compared may be found to be similar. The relative importance of each aspect of similarity will depend on the circumstances, including the nature of the goods or services and the types of marks involved, and a trade-off can be made between the three aspects of similarity (*Hai Tong* at [40]).

(d) Integrated into the analysis of visual, aural and conceptual similarity is a consideration of whether the earlier mark is distinctive (*Staywell* at [30]). It is "relevant to examine the distinctiveness of the [opponent's] registered mark in order to determine the extent of the latitude that will be allowed to a user of features that appear in that mark" (*Hai Tong* at [27]).

(e) When discussing the concept of distinctiveness at the marks-similarity inquiry, it is necessary to consider a mark's inherent technical distinctiveness, acquired technical distinctiveness and non-technical distinctiveness.

(i) Technical distinctiveness refers to the ability of a mark to distinguish the goods or services of one particular trader from those of another. A trade mark can have inherent technical distinctiveness in the sense that it can immediately function as a clear badge of origin of a trader. Technical distinctiveness can also be acquired through subsequent use by the proprietor of the trade mark. Acquired technical distinctiveness should not be considered at the marks-similarity inquiry based on reasons of precedent, principle, and policy. The issue of acquired technical distinctiveness should be considered at the likelihood of confusion stage of the inquiry to preserve conceptual clarity.

(ii) Non-technical distinctiveness refers to the dominant/outstanding and memorable component of a mark which stands out in the average consumer's imperfect recollection. The non-technical distinctiveness of an element of a trade mark could depend on factors such as the size of the element, how the element is positioned and whether it was in

bold font, *etc*. A mark cannot acquire an outstanding and memorable component through prolonged use. Therefore, non-technical distinctiveness can only be inherent (*Twitter* at [41]-[43], [63] and [119]).

(f) When assessing two contesting marks or signs, the court does so with the "imperfect recollection" of the average consumer. The two marks or signs should not be compared side by side or examined in detail because "the person who is confused often makes comparison from memory removed in time and space from the marks" (*Hai Tong* at [40]).

38 The average consumer (also referred to interchangeably as the "relevant public") refers to the actual or potential purchaser of the goods or services in question and those who deal with such goods or services (Ng-Loy Wee Loon SC, *Law of Intellectual Property of Singapore* (Sweet & Maxwell, Revised 3rd Ed, 2022) at [21.5.27]).

39 The average consumer of the services in question here, restaurant services and bar services, would be the general public.

40 To facilitate discussion and for ease of reference, I reproduce the marks to be compared below.

Subject Mark	TAP Mark 1
	**TAP**

Visual similarity

41 I consider first the distinctiveness of TAP Mark 1 which has only one component - the word "TAP". It is a common English word and is in plain block font. Such a registration protects the word itself irrespective of font, capitalisation or stylisation (*Ferrero SPA v Sarika Connoisseur Cafe Pte Ltd* [2011] SGHC 176 at [56]).

42 In my view the inherent technical distinctiveness of TAP Mark 1 is low. In the context of the services for which TAP Mark 1 is registered, consumers would easily recognise that "TAP" alludes to the kind of drinks (beers on tap) offered. This means that TAP Mark 1 does not enjoy a high threshold before a competing sign will be considered dissimilar to it.

43 I now compare the marks visually. The Opponent submits that "TAP" is the dominant component of both marks and that the word "OUT" in the Subject Mark is devoid of distinctiveness as it relies or leans on the "TAP" component.

44 I accept that "TAP is the only component in TAP Mark 1 contributing to its overall impression, but I am unable to agree that "TAP" is the dominant component of the Subject Mark. The Subject Mark contains at least three components:

(a) The words "TAP OUT" in a particular font;

(b) The device "  "; and

(c) The words "CRAFT BEERS".

45 In my view, the words "TAP OUT" will be seen as a single component as they share the same font and the same font size. Neither word may be said to be more outstanding or memorable than the other visually and both words will feature in the consumer's imperfect recollection of the Subject Mark. As for the Opponent's point that "OUT" is devoid of distinctiveness, I do not see how this is so as it is not descriptive of the services for which registration is sought.

46 The device "  " in the mark, which appears to be a beer tap, is also in my view dominant as it stands in the middle of the Subject Mark, in between the words "TAP" and "OUT" and its size is not de minimis. It will thus feature in a consumer's overall impression of the Subject Mark.

47 As for the words "CRAFT BEERS", these appear in smaller font and is entirely descriptive. It will not be particularly memorable.

48 Overall, I find that the dominant and distinctive components of the Subject Mark lies in the words "TAP OUT" and the  device, and these elements would feature in the consumer's imperfect recollection of it.

49 Bearing in mind the above as well as the low level of distinctiveness of TAP Mark 1, I find that the marks are visually more dissimilar than similar and that the Subject Mark has sufficiently and substantially differentiated itself. TAP Mark 1 is a plain word mark consisting of only one word, made up of three letters. The Subject Mark on the other hand, is a complex mark with word elements as well as figurative elements. The word element, "TAP OUT", is made up of two words, each three letters long. The differences between the marks – the length of the marks, the structure of the marks, the layout design

and the presence of a device component in one but not the other – results in my finding that the Subject Mark does not capture the distinctiveness of TAP Mark 1.

50 I have considered the Opponent's submission that the beer tap device is merely decorative and is a weak element that would not make a significant impact on a consumer. I am also mindful of what the Court of Appeal said in *Hai Tong* at [62(e)(vi)], that when assessing the visual similarity of composite marks, a device component would usually not be found to be the significant or dominant component of a composite mark where "the device component is more likely to be perceived as a *decorative element rather than as an element indicating commercial origin*…" [emphasis added]. In that case, the Court of Appeal found that the device component of the composite mark, 

, which consisted of a single simple stylised rose, was relatively insignificant and it was the textual component of the composite mark that was dominant.

51 Nonetheless, in the present case, I do not consider the device,  , to be so simple, commonplace or banal that it would be seen as decorative and lacking in trade mark significance. While it may be said that the device merely illustrates or underscores the textual components "TAP" and "CRAFT BEERS", this does not necessarily mean that it would not make a significant impact on a consumer. Given that the device is large and is embedded in the middle of the textual component, I am of the view that the impact would be rather significant. Further, for those who recognise the device as a beer tap, it may even be said that it is the device which gives clarity to the meaning of the textual component.

52 The Opponent reminded me that in the case of *Caesarstone*, the Court of Appeal found that the later mark  was dominated by the word "Caesar" even though there was an additional word "stone" and stylistic differences were noted. Further, the Court of Appeal said at [44]:

> … the two contesting marks are *no*t to be compared or assessed side by side and examined in detail for the sake of isolating particular points of difference … while these differences may be evident (and even obvious) on a side-by-side comparison, this is not how visual similarity is to be assessed.
>
> [emphasis in original]

53 I do not think *Caesarstone* is helpful here. There, the Court of Appeal found that the device component was somewhat insignificant ([37]–[38]), while the word "stone" was merely descriptive of the goods in Class 19 ([41]–[42]). That being the case, the Court of Appeal concluded that the differences between the two marks (namely, (a) the device; and (b) the word "stone") did not serve to distinguish the mark sufficiently and substantially from ·CÆSAR· The overall impression conveyed by both marks was dominated by the word "caesar". The present case is not analogous to *Caesarstone* – the differences between the marks are not merely descriptive or insignificant and the overall impression of the Subject Mark is not dominated only by the word that is common between the marks - "TAP".

Aural similarity

54 There are two possible approaches to assessing aural similarity: the first is to undertake the analysis by reference to the dominant components of the marks; whereas the second is to undertake a quantitative assessment as to whether the competing marks have more syllables in common than not (*Staywell* at [31]-[32]). In *Sarika Connoisseur Café Pte Ltd v Ferrero SpA* [2013] SGCA

56 ("*Sarika*"), the Court of Appeal at [30]-[31] also endorsed the consideration of "how an average Singaporean consumer would pronounce the respective words" and the making of "allowances for imperfect recollection and careless pronunciation and speech".

55 Applying the dominant component approach, the Opponent submits that "TAP" is the dominant element of both marks as first syllables of words are typically the most important, the basis of which is that English speakers tend to slur subsequent syllables. In the case of *Sarika*, the Court of Appeal agreed with the High Court that the first syllable would likely be emphasised in pronouncing the words "Nutella" and "Nutello" (at [29]).

56 I am unable to agree with the Opponent. While I accept that the words "CRAFT BEERS" may not be articulated when one refers to the Subject Mark, I am of the view that the component "OUT" would be articulated, and it is at least equally significant to the component "TAP" in the aural sense. When read, the pronunciation of "OUT" is not likely to be slurred and when heard, it would stand out to the ear as much as the "TAP" component. The aurally dominant component of the Subject Mark is therefore "TAP OUT" and not just "TAP". Although there is aural commonality in the "TAP" element of the respective marks, the "OUT" component (which has no counterpart in TAP Mark 1) sufficiently and substantially differentiates it. The marks are, therefore, aurally more dissimilar than similar under this approach.

57 The same result would be reached by applying the quantitative approach. The Subject Mark has at least two syllables which would be articulated whereas TAP Mark 1 has one. Consequently, the marks do not have more syllables in common than not.

Conceptual Similarity

58 Conceptual similarity is directed at the ideas that lie behind and inform the understanding of the mark as a whole (*Staywell* at [35]). These ideas must manifest in the look and feel of the mark, and not in something that is known only to the creator of the mark (*Audience Motivation Company Asia Pte Ltd v AMC Live Group China (S) Pte Ltd* [2015] 3 SLR 321 at [43]).

59 As alluded to above, I am of the view that TAP Mark 1, in the context of restaurant/bar services, would evoke the idea of a device of a tap.

60 As for the Subject Mark, the Applicant states that according to the Cambridge Dictionary, "TAP OUT" has a variety of meanings, including:

(a) in mixed martial arts and similar sports, to tap the floor to show that one accepts that one is beaten by a competitor;

(b) to use everything that is available;

(c) to produce a rhythm by hitting a surface gently.

61 It is the Applicant's case that the inspiration for the Subject Mark came from the Applicant's director, who having a background in mixed martial arts, thought that the words would be appropriate in a situation where a patron has had too much to drink, and is "tapping out".

62 Even if I accept that this may be the inspiration behind the Subject Mark, I do not think it is likely that the relevant public would view the Subject Mark as evoking the idea of one signalling defeat. The Court of Appeal in *Staywell* cautioned at [35] that greater care is needed in considering what the conceptually dominant component of a composite mark is, because the idea

connoted by each component might be very different from the sum of its parts. Given that the Subject Mark also contains the device "  " and the words "CRAFT BEERS", the Subject Mark is more likely to evoke the idea of craft beers being dispensed out of a tap.

63 In summary, I am of the view that there is a medium degree of conceptual similarity between the marks.

Overall conclusion on marks-similarity

64 I have found that the marks are:

(a) visually more dissimilar than similar;

(b) aurally more dissimilar than similar; and

(c) conceptually similar to a medium degree.

65 As recognised in *Staywell* at [18], trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry. The three aspects of similarity are but signposts meant to guide the inquiry and I must ultimately come to a conclusion whether the marks, when observed in their totality, are similar rather than dissimilar. This is inevitably a matter of impression, as the Court of Appeal in *Staywell* highlights (at [17]-[18]).

66 I am of the view that overall, the marks are more dissimilar than similar. The only aspect of similarity the marks share is conceptual similarity and the concept they have in common (the idea of a tap) is not distinctive of the services in question as it alludes to the kind of drinks offered.

Conclusion on opposition under s 8(2)(b)

67 Since the similarity of competing marks is a threshold requirement that must be satisfied before the confusion inquiry is undertaken (*Staywell* at [15]), my finding above disposes of the opposition under s 8(2)(b). This ground of opposition therefore fails.

Ground of Opposition under s 8(7)(a)

68 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;

69 The Court of Appeal in *Singsung Pte Ltd v LG 26 Electronics Pte Ltd* [2016] 4 SLR 86 ("*Singsung*") 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]).

70 I consider the elements of goodwill, misrepresentation and damage in turn.

Goodwill

71 In order to succeed in a passing off action in Singapore, the Court of Appeal in *Singsung* said at [34], that goodwill "… attaches to a business in the

jurisdiction and is manifested in the custom that the business enjoys … Goodwill may be proved by evidence of sales or of expenses incurred in promoting the goods and services in association with the mark, brand or get-up with they bear."

72 Considering the matters set out above, I accept that the Opponent has the relevant goodwill in Singapore.

Misrepresentation

73 The Court of Appeal in *Singsung* at [70] elaborated on the test of misrepresentation:

> The preliminary issue to be considered in the context of misrepresentation is whether the appellant's goodwill is sufficiently associated with the Singsung Get-Up, or, put another way, whether the Singsung Get-Up is distinctive of the appellant's goods. If so, the appellant will have to satisfy two further requirements: first, that there was a misrepresentation made by the respondent in adopting get-ups for its products which are strikingly similar or identical to the Singsung Get-Up, and second, that actual confusion or a sufficient likelihood of confusion arose from this. The quintessential misrepresentation in this variety of the tort of passing off is a misrepresentation as to trade source or the trade origin of goods, the classic form being a false representation by the defendant that his goods or services emanate from the plaintiff or an entity connected to or associated with the plaintiff (see *Ng-Loy Wee Loon, Law of Intellectual Property of Singapore*, (Sweet & Maxwell, 2nd Ed, 2014) ("Law of IP in Singapore") at para 18.1.2). If these elements are established, they would also serve to show that the respondent's goods are "inherently deceptive" for the purposes of the doctrine of instruments of deception.

74 The Opponent relies on both TAP Marks for this ground of opposition. However, my earlier finding on the s 8(2)(b) ground of opposition that the Subject Mark is more dissimilar than similar to TAP Mark 1 means that

misrepresentation giving rise to a likelihood of confusion cannot be established for TAP Mark 1. I will therefore focus on TAP Mark 2 for this ground of opposition.

Distinctiveness of TAP Mark 2

75 The Applicant does not dispute that the Opponent's goodwill is sufficiently associated with TAP Mark 2. The question is how distinctive is TAP Mark 2. In my view, the distinctiveness of TAP Mark 2 is low even taking into account the use that has been made of it before the Relevant Date. This is because all the elements of which TAP Mark 2 are composed are either descriptive, not distinctive, or would be seen as merely decorative and not having trade mark significance.

76 TAP Mark 2 is made up of the following elements:

(a) the word "TAP" with a droplet of liquid appearing at the bottom of the letter "T";

(b) the words "CRAFT BEER BAR"; and

(c) a black background.

77 The words "CRAFT BEER BAR" describe the Opponent's service and is devoid of distinctive character. The word "TAP" together with a droplet of liquid appearing at the bottom of the letter "T" confirms that the word "TAP" refers to a device of a dispensing tap. This element is not distinctive either as it alludes to a kind of beer (beer on tap). The black background is banal and would have little or no weight in the overall impression.

Likelihood of confusion

78 I first consider the degree of similarity between the parties' marks. For ease of reference, the marks are reproduced below:

TAP Mark 2	Subject Mark
	

79 I note the visual similarities – two rows of text, the top row in larger bold font, the bottom in smaller font, a black background, an overlap in the words "TAP" and "CRAFT BEER" (although "BEER" is in plural form in the Subject Mark). I also note the visual differences - the Subject Mark further contains the  device and the word "OUT" whereas TAP Mark 2 has a droplet of liquid appearing at the bottom of the letter "T" and the word "BAR" after the words "CRAFT BEERS".

80 In my view, while the visual similarities contribute to the overall impression of the marks, the similarities are either commonplace and banal or descriptive and the role they play will be small. The visual differences on the other hand – in particular, that the Subject Mark has the additional word "OUT" and the  device – are distinctive and dominant and would feature strongly in consumers' imperfect recollection of the Subject Mark.

81 Overall, I am of the view that the marks are visually similar to a very low degree. In this regard, I bear in mind that the High Court in *Dr August Wolff GmbH & Co KG Arzneimittel v Combe International Ltd* [2021] SGHC 49 said at [29]:

> Visual similarity is ascertained by "reference to the overall impressions created by the marks or signs, bearing in mind their distinctive and dominant components": *Hai Tong* at [62(b)]. An overall impression may "in certain circumstances, be dominated by one or more of its components": *Bridgestone Corporation and Bridgestone Licensing Services, Inc. v Deestone Limited* [2018] SGIPOS 5 at [60]; *Hai Tong* at [62(c)]. A descriptive element of a complex mark is not likely to be perceived "as the distinctive and dominant element of the overall impression conveyed by that mark": *Ceramiche Caesar SpA v Caesarstone Sdot-Yam Lt*d [2017] 2 SLR 308 ("*Caesarstone*") at [41]. Nevertheless, "[t]he finding of distinctiveness of the separate components of the mark must ultimately be related back to the impression given by the mark as a whole" because "it is the entire mark, and not only a component of it, that must function as the badge of origin": *Staywell* at [29].

82 I turn next to aural similarity. *Staywell* makes it clear that there are two possible approaches: the first is to consider the dominant components of both marks ("dominant component approach"), and the second is to undertake a quantitative assessment as to whether the competing marks have more similar syllables than not ("quantitative approach"). Under the first approach, the dominant component of TAP Mark 2 is the word "TAP" while the dominant component of the Subject Mark is "TAP OUT". Although there is commonality in the element "TAP", the second element of the Subject Mark has no counterpart in TAP Mark 2, and this sufficiently and substantially differentiates it from TAP Mark 2. As for the quantitative approach, I appreciate that the words 'CRAFT BEER BAR" and "CRAFT BEERS" are descriptive of the services in issue. However, descriptiveness of an element does not make it aurally invisible and in the present case, I am of the view that they would be pronounced. I consider this to be the case because the words are displayed rather

prominently, and they are relatively short in length. As a result, TAP Mark 2 would be pronounced as "TAP CRAFT BEER BAR" and the Subject Mark as "TAP OUT CRAFT BEERS". While I am mindful that "BEER" is in the plural form in the Subject Mark, I am prepared to accept that "BEER" and "BEERS" as almost aurally identical. The marks therefore have more syllables in common than not and the marks are aurally more similar than dissimilar. As for the degree of similarity, considering that "CRAFT BEER BAR" and "CRAFT BEERS" are descriptive and not much weight will be placed on them, I am of the view that the marks are similar only to a low degree.

83 Finally, I find that the marks are conceptually similar to a high degree as they both evoke the idea of beer being dispensed from a tap.

84 I have found that the respective marks are (a) visually similar to a very low degree; (b) at best, aurally similar to a low degree and (c) conceptually similar to a high degree.

85 Overall, bearing in mind that "*trade-offs can occur between the three aspects of similarity in the marks-similarity inquiry*" ([18] of *Staywell*), the low level of distinctiveness of TAP Mark 2, and the concept which is in common between the marks is not distinctive, I find that the marks are similar to a low degree.

86 In so deciding, I bear in mind what the Court of Appeal in *The Singapore Professional Golfers' Association v Chen Eng Waye and others* [2013] SGCA 18 said at [35]:

> It is therefore unsurprising that even where a name that is primarily descriptive has come to acquire a secondary meaning and so be associated with the claimant's business, the degree of protection that is conferred on the claimant may, in general,

> be less than would be the case with purely fancy names. In The Law of Passing-Off, the learned author states at para 8-064 that:
>
> > … *Even if the claimant succeeds in proving that a prima facie descriptive term has acquired some degree of secondary meaning*, he will find that the scope of protection for his mark is narrower than for a wholly arbitrary term. There is a rule of law that relatively minor differences will suffice to distinguish the defendant's goods or business when both use a mark that is descriptive of the goods or services they provide. … 'Office Cleaning Association' was sufficiently different to 'Office Cleaning Services' even though it was the trading name of the defendant. The plaintiff was free to choose a name of higher inherent distinctiveness, and the penalty for his failing to do so was that *a degree of confusion would be tolerated as the only alternative to giving him an unfair monopoly*.
>
> [emphasis in original]

87 Another factor to consider in assessing whether the misrepresentation in question has led to confusion between the business and services of the Opponent and those of the Applicant is whether the parties are in the same field or closely related fields of business. Here, the parties both operate bars that offer a range of craft beers and western bar food. This is a factor which increases the likelihood of confusion.

88 I move on to consider how a member of the relevant public in Singapore would perceive the respective marks in use. The relevant consumers here are members of the general public. The services are likely to vary in cost, however, they are likely on average to be used relatively frequently. In selecting the services, the average consumer will take various factors into consideration such as the cost, the type of cuisine offered and the standards of customer service and hygiene. Consequently, the level of attention paid during the selection process will be medium. The services are likely to be selected visually, following the viewing of signage on the front of the premises or viewing the adverts and the

menus (and their online equivalents); or orally (bearing in mind the nature of the services, it is likely that the average consumer would select them following oral recommendations). The way the marks look and the way they sound must be taken into account, therefore the visual and aural components would play an equal role in the selection process.

89 Next, it would be a relevant consideration increasing the likelihood of confusion if it is found that the Applicant adopted the Subject Mark with a fraudulent intention. The Opponent claims that there is reasonable basis to believe that the Applicant copied the TAP Marks and/or copied the Opponent's business style/method given that:

(a) the marks are similar;

(b) the parties are in the same field of business and they both offer beers and western bar food at similar/identical prices;

(c) there are parallels between the layout, style, design and aesthetic of the parties' respective bars, such as, black furniture with dark brown wooded tops, dark/black walls with a variety of graphics and images decorating the same;

(d) the earlier versions of potential marks which the Applicant's designer had created for the Applicant contained a device of a water droplet being released from a letter and this resembles the concept behind the TAP Marks.

90 I am of the view that the above falls short of fraud. The word "TAP" is not just a common English word but also one that is commonly used in the context of restaurant/bar services to indicate a kind of beer (beer on tap). As for

the "layout, style, design and aesthetic", there can be no monopoly over such matters.

91 Finally, while evidence of actual confusion is not necessary, the Opponent claims that actual confusion has arisen, referring to its WhatsApp exchange with four customers between the period 3 October 2021 to November 2023. Three out of four of these incidences occurred after the Relevant Date and are not helpful. As for the incident that occurred within the Relevant Date, the message reads "there is a Tap Out craft beers just outside my house!! Is that a new brand of yours". In view of the context this message was sent, I do not find this evidence of assistance to my assessment of whether confusion is likely at the point of purchase.

92 I will proceed to consider confusion in the ordinary way. Confusion can be direct or indirect. Direct confusion involves the average consumer mistaking one mark for the other, while indirect confusion is where the average consumer realises the marks are not the same but puts the similarity that exists between the marks and the services down to the responsible traders being the same or related.

93 Taking all the above into account, and even bearing in mind the principle of imperfect recollection, I do not see how consumers would misremember or inaccurately recall the marks as each other. While I appreciate that the marks share the word "TAP" and this sits at the very beginning of their verbal elements, I am of the view that the differences will be noticed. Those differences will, in my view, enable consumers to accurately recall and remember which mark is which. Consequently, I do not consider there to be a likelihood of direct confusion, even on services that are identical.

94 I now consider the likelihood of indirect confusion. First, indirect confusion might arise where the common element is so strikingly distinctive that the average consumer would assume that no one else but the brand owner would be using it in a trade mark at all. In this instance, the common element between the marks is the word "TAP". I have earlier found that this word is low in distinctiveness as it describes a type of beer. Indirect confusion based on this reason is therefore not likely.

95 Secondly, indirect confusion may occur when the later mark simply adds a non-distinctive element to the earlier mark. For this to be satisfied, TAP Mark 2 as a whole would need to be reproduced, with an addition of a non-distinctive element. It is not.

96 Thirdly, indirect confusion may also occur where the earlier mark comprises a number of elements, and a change of one element appears entirely logical and consistent with a brand extension. It would be highly unusual for a sub brand to adopt a name which has a different structure, font stylisation and device element. If one mark is brought to mind by the other on the basis of the common element, then I consider this to be mere association and not indirect confusion. This type of indirect confusion is not likely to occur.

Conclusion on opposition under s 8(7)(a)

97 The ground of opposition under s 8(7)(a) fails.

Conclusion

98 Having considered all the pleadings and evidence filed and the submissions made in writing and orally, I find that the opposition fails on all grounds.

99 I have considered the parties' submissions on costs and, having regard to all the circumstances, award the Applicant the sum of S$5,806.50 (inclusive of disbursements).

Tan Mei Lin
Principal Assistant Registrar

Jason Chan and Zachary Tan (Amica Law LLC) for the Opponent;
Arthur Chin (TSMP Law Corporation) for the Applicant.