

**IN THE APPELLATE DIVISION OF
THE HIGH COURT OF THE REPUBLIC OF SINGAPORE**

[2022] SGHC(A) 4

Civil Appeal No 80 of 2021

Between

- (1) TMRG Pte Ltd
- (2) Luke's Tavern Holdings Pte Ltd

... Appellants

And

- (1) Caerus Holding Pte Ltd
- (2) Lukes Seafood LLC

... Respondents

In the matter of Suit No 723 of 2020

Between

- (1) TMRG Pte Ltd
- (2) Luke's Tavern Holdings Pte Ltd

... Plaintiffs

And

- (1) Caerus Holding Pte Ltd
- (2) Lukes Seafood LLC

... Defendants

GROUNDS OF DECISION

[Intellectual Property — Trade marks and trade names — Infringement]

[Intellectual Property — Trade marks and trade names — Invalidity]

[Intellectual Property — Trade marks and trade names — Defences]

[Intellectual Property — Trade marks and trade names — Passing off]

TABLE OF CONTENTS

TRADE MARK INFRINGEMENT	2
PASSING OFF	7
CONCLUSION.....	8

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TMRG Pte Ltd and another
v
Caerus Holding Pte Ltd and another

[2022] SGHC(A) 4

Appellate Division of the High Court — Civil Appeal No 80 of 2021
Belinda Ang Saw Ean JAD, Woo Bih Li JAD, See Kee Oon J
4 February 2022

18 February 2022

See Kee Oon J (delivering the grounds of decision of the court):

1 This appeal arose from the appellants' claims in Suit 723 of 2020 for trade mark infringement and passing off, and a declaration of invalidity of the respondents' two registered trade marks. The dispute centred on the common use of the name "Luke's" for the parties' respective dining establishments, which are known as "Luke's Oyster Bar & Chop House" and "Luke's Lobster" respectively.

2 The trial judge (the "Judge") dismissed the claim, setting out detailed reasons in his written judgment (the "Judgment"): see *TMRG Pte Ltd and another v Caerus Holding Pte Ltd and another* [2021] SGHC 163. He found no trade mark infringement or passing off. Consequently, the claim for invalidity of the two trade marks failed. The Judge thus did not grant an injunction to prohibit the continued use of the trade marks. The Judge found that the respondents could also rely on the "own name" and the "registered mark"

defences under ss 28(1)(a) and 28(3) of the Trade Marks Act (Cap 332, 2005 Rev Ed) (the “TMA”) respectively.

3 In their appeal, the appellants largely repeated their main arguments below. The appellants sought to re-emphasise their arguments as to the distinctiveness of their “Luke’s” brand. They essentially asserted that as they had become known as “Luke’s” to their customers, there was acquired distinctiveness in the name “Luke’s”. In short, “Luke’s” *simpliciter* was distinctive of their business through use.

Trade mark infringement

4 In considering the similarity of the marks, the settled law is that the comparison is done “mark-for-mark without consideration of any external matter”: see *Han’s (F & B) Pte Ltd v Gusttimo World Pte Ltd* [2015] 2 SLR 825 at [105] and *Staywell Hospitality Group Pty Ltd v Starwood Hotels & Resorts Worldwide, Inc and another and another appeal* [2014] 1 SLR 911 (“*Staywell*”) at [20]. We accepted the Judge’s application of the law and his reasons as stated in the Judgment (at [27]–[63]) that the appellants’ arguments on distinctiveness and similarity are not persuasive. When each of the respective marks were viewed as a whole, the competing marks are clearly differentiated in the visual, aural and conceptual sense. The relevant visual comparisons can be found in the Judgment and we need not reproduce them here.

5 In our view, the major flaw with the appellants’ arguments on distinctiveness, as the Judge rightly noted (at [28] and [43] of the Judgment), was that the appellants’ registered trade mark is not “Luke’s”. Their trade mark comprises nine words: “Luke’s Oyster Bar Chop House Travis Masiero Restaurant Group”. Moreover, they did not use their registered nine-word trade mark exclusively but had also used an unregistered seven-word logo (omitting

the words “Restaurant Group”). On the evidence of the appellants’ own witness Mr Gregory Ian Coops, the logo was what was “most commonly in use”¹ and their restaurants “would not be known by the general population” but only “a very, very narrow audience”.²

6 In oral submissions before us, the appellants placed considerable reliance on the principle of acquired distinctiveness. This was premised on their branding purportedly having arisen from being known as “Luke’s” *simpliciter*. In our view, this argument was misplaced. Even if “Luke’s” may have been a convenient shorthand reference, “Luke’s” *simpliciter* was never used by the appellants in a standalone fashion on their business cards, Internet website or social media.³ We acknowledged that there are instances where “Luke’s” *simpliciter* was used on the shopfront to the appellants’ restaurants and the restaurant’s cutlery.⁴ However, this use was inconsistent as their restaurant windows used the composite nine-word mark.⁵ This inconsistency also applied to the appellants’ use of their unregistered logo in various forms. The various instances of inconsistent usage thus compromised the appellants’ trade mark infringement claim. Put differently, the appellants’ argument on acquired distinctiveness leveraged on usage of their unregistered logo and the restaurant’s cutlery to shore up their case on trade mark infringement. In our view, such an approach was not permissible.

¹ 3T ROA 134 at lines 5 to 17.

² 3T ROA 67 at lines 3 to 11.

³ ACB(II)(A) 144–148, 164, 167 and 170.

⁴ ACB(II)(A) 151 and 157.

⁵ ACB II(A) 150.

7 As the Court of Appeal emphasised in *Staywell* (at [29]), even if distinctiveness is found in any particular dominant component of a mark, this “must ultimately be related back to the impression given by the mark as a whole”. The entire string of words in the appellants’ trade mark and even taking into consideration their unregistered logo, *read as a whole*, do not perform a purely descriptive function. Taking the mark as a composite, rather than with a sole focus on the word “Luke’s” (notwithstanding that the word is cast in outsized font), these words are what constitute the appellants’ brand. These words therefore also serve to differentiate the appellants’ brand from other establishments bearing a similar name. This was precisely how the Judge went about his analysis, as can be discerned from [43]–[49] of the Judgment.

8 It is also settled law that commonly used personal names are not particularly distinctive: Judgment at [37]. “Luke” is by no means a distinctive or uncommon personal or trading name. The appellants may have used their trade mark and the “Luke’s” name for almost ten years and generated substantial revenue of about S\$63m up to the time of the trial. However, in our assessment, these factors did not, without more, advance their case of acquired distinctiveness.

9 As for the arguments pertaining to confusion arising from the allegedly similar trade marks, the appellants again appeared to rely on the purported distinctiveness and dominance of the “Luke’s” name in both their registered mark and their unregistered logo.

10 In this regard, the appellants’ survey evidence was rejected by the Judge who rightly noted problems with the survey methodology and the reliability of the survey results. Importantly, the appellants had not raised any arguments as to why or how the Judge had erred in his detailed analysis and reasoning on the

survey evidence: Judgment at [191]–[241]. They only continued to maintain that the Judge ought to have considered certain aspects of the survey evidence.

11 We acknowledged that there was some force in the appellants’ point that the five emails and one Facebook post cited to show actual confusion were not inadmissible hearsay. Contrary to what the Judge appeared to have accepted, they were tendered for the purpose of showing confusion on the face of the exhibits and not to assert the truth of their contents. Nevertheless, this did not assist the appellants in any case. Aside from the hearsay point, we agreed with the Judge’s reasons (at [97]–[101] of the Judgment) for disregarding the emails and Facebook post. They show some initial interest confusion at best, but this did not assist the appellants as the right test is whether there was confusion at the point of purchase: *Staywell* at [113]. The respondents had also pertinently pointed out that there were only five or six instances of alleged confusion out of some 13,500 to 27,000 estimated emails received by the appellants in the relevant nine-month period.⁶

12 The parties provide similar services but there were obvious distinctions between their target customer base or market audience and the nature of their restaurants’ menu offerings. The appellants are in the fine dining business with upscale menu prices and ambience; the respondents sell fast food (albeit not at a budget price) with a grab-and-go concept. The appellants also serve lobster rolls, but only for lunch and even then, this is not listed on their main menu but only on their “lunch plates” menu. At \$48, it costs nearly double the price of the respondents’ version at \$25.50.⁷ The appellants’ own evidence, including objective evidence, undermined their claim. Lobster related dishes (*ie*, not just

⁶ RC at para 35(a).

⁷ Judgment at [142].

lobster rolls) only comprised 5% of their restaurants' total revenue. The appellants had clearly overstated the possibility of confusion arising from the fact that they served lobster rolls or other lobster related dishes.

13 Further, we noted that the respondents applied to register their trade marks in April 2018 and when these applications were published in September and October 2018, they were unopposed. The parties already had an existing trade mark dispute in Korea as of 17 July 2018. We accept the respondents' submission that by September 2018, the appellants must have been aware of the respondents' likely intent to launch operations in Singapore.⁸ Despite having had two months from the date of publication to file a notice of opposition, the appellants did not do so. Their omission therefore suggested that "Luke's" *simpliciter* was not as important to or distinctive in their restaurants' branding as they so strenuously contended. Alongside this, the Judge also rightly considered the amicable resolution of a Hong Kong trade mark revocation action filed by the second respondent to revoke the first appellant's registration of its mark there and the concession in the appellants' solicitors' letter of 15 May 2020 that the parties had different target customer bases: Judgment at [110]. Although that letter was marked "without prejudice save as to costs", we agreed with the respondents that the appellants had waived their privilege because they had previously referred to and exhibited the respondents' solicitors' letter dated 21 May 2020 which was sent in response to the appellants' solicitors' letter. Hence, the respondents were entitled to refer to that letter.

⁸ 3V RA 199.

Passing off

14 The main reasons for the Judge’s finding that the marks are not similar overlapped with his reasons for dismissing the claim in passing off. The distinctiveness argument was engaged once again in determining whether the appellants had goodwill in their business. As outlined above, we accepted that “Luke’s” *simpliciter* is not distinctive, and the appellants’ goodwill is thus not associated with the name “Luke’s”. As the Judge rightly found at [122] of the Judgment, the appellants’ goodwill is associated with their restaurants being known as oyster bars and chop houses, and being associated with the Travis Masiero Restaurant Group. This is because “Oyster Bar”, “Chop House”, “Travis Masiero Restaurant Group” and “Travis Masiero” are all components of their trade mark and/or unregistered logo.

15 As for misrepresentation, the Judge was entitled to find that initial interest confusion is insufficient for both passing off and trade mark infringement. With respect, the appellants’ argument that the commentary in Christopher Wadlow, *The Law of Passing Off: Unfair Competition by Misrepresentation* (Sweet & Maxwell, 5th Ed, 2016) at para 5-181 suggests otherwise in the context of passing off was misconceived. We saw no reason to differ from the Judge’s reasoning at [130] of the Judgment.

16 Similarly, we agreed with the Judge’s reasons for rejecting the appellants’ allegations of damage, *viz*, loss of sales, blurring and tarnishment, restriction on expansion and loss of exclusivity (Judgment at [157]–[167]). As we accepted that there was no confusion that would persist to the point of purchase in the first place, we did not need to address the issue of whether confusion in terms of the appellants’ customers perceiving an economic association between the parties *per se* was equivalent to damage.

17 Lastly, turning to the defences that the respondents had relied upon, we also agreed with the Judge that the “own name” defence operates in their favour, at least for the trade mark infringement claim. In relation to the passing off claim, the Judge did not expressly decide whether the respondents could rely on the “own name” defence: Judgment at [178]. For the present matter, it was unnecessary for us to decide whether the “own name” defence extends to passing off but assuming that it did, we would have accepted the respondents’ case that the use of the name was an honest and *bona fide* practice. It was in use as a trading name in the United States since 2009 and was not calculated to deceive customers or ride on the appellants’ existing restaurant brand in Singapore. The “registered mark” defence under s 28(3) of the TMA should also operate in favour of the respondents since the registration of the “Luke’s Lobster” trade mark has not been invalidated.

18 Finally, there was no basis to declare the respondents’ trade marks invalid for contravening ss 8(2)(b) and/or 8(7) of the TMA, or for an injunction to be granted to prevent their continued use of the trade marks. The respective marks can coexist, just as their dining establishments can coexist.

Conclusion

19 Accordingly, we were not persuaded that the Judge had erred in law or principle or that any of his material factual findings were plainly wrong or unsupported by the evidence. We were of the view that the appellants had not shown any good grounds for interfering with the Judge’s decision. We therefore dismissed the appeal and ordered that the appellants bear the respondents’ costs fixed at \$50,000 all-in.

20 The usual consequential orders would apply.

Belinda Ang Saw Ean
Judge of the Appellate Division

Woo Bih Li
Judge of the Appellate Division

See Kee Oon
Judge of the High Court

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